DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

January 1, 1922.

MEMORANDUM No. ~~365~~ 364.

Hours of Duty for Mechanics.

Effective January 1, 1922, all mechanics in the Department of Agriculture will be required to work not less than seven and one-half hours per day, exclusive of one-half hour for luncheon. The Mechanical Superintendent will arrange the hours for beginning and ending the day's work in the Mechanical Shops. Chiefs of bureaus, divisions, and offices, in which mechanics not under the direction of the Mechanical Superintendent are employed, will fix the time for beginning and ending the day's work of such mechanics to suit the best interests of the bureaus' operations.

Henry C. Wallace
Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

File Copy

January 9, 1922.

MEMORANDUM No. 365.

Bureaus to set up Liabilities based upon Expenditures for Supplies incurred for their account by the Division of Publications.

In order that there may be maintained in the Division of Publications an adequate stock of paper and envelopes for use in carrying into effect the activities contemplated in Memorandum No. 342, each bureau will set up as of January 1, 1922, a liability based upon expenditures incurred for their account during the preceding six months. Beginning July 1, 1922, liabilities will be set up and carried for the entire fiscal year.

These liabilities will be taken up on the books of each bureau and carried as a reserve, subject to the order of the Division of Publications. The Division of Publications will draw requisitions for paper and envelopes against the fund so created and will transmit such orders through the bureaus in each case for initial and record. Orders will be pro-rated in such manner as to proportionately reduce the liabilities carried on the books of each bureau.

A monthly itemized statement of the value of all supplies used for the account of each bureau will be rendered by the Division of Publications and at the end of each fiscal year adjustments will be made on the basis of the actual cost of the supplies used. Should it appear that the amount carried by any bureau is in excess of its requirements, the excess will be released not later than June 1st of each fiscal year in order that the fund may be available to the bureau and expended for other purposes.

Henry C. Wallace
Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D. C.

January 25, 1922.

In order to carry into effect the provisions of Memorandum No. 365, dated January 9, 1922, and to provide the Division of Publications with a sufficient stock of paper to meet the requirements of their increased activities, a liability in the sum of $ should be set up on your records and carried subject to the requisition of this division.

This amount is estimated on a basis of the actual cost of service rendered to your bureau during the period, July 1st to December 31st, 1921. Any amount remaining unexpended by the Division of Publications on May 31st will be released to your bureau and may be expended for other purposes.

C W Pugsley
Acting Secretary.

The above memo sent to following; with amounts as shown below:

Bureau of Animal Industry	$ 650
Biological Survey	750
Chemistry	250
Entomology	300
*Markets	100
Farm Management	175
Federal Horticultural Board	300
Forest Service	1250
Nitrogen Laboratory	50
Plant Industry	1600
Public Roads	200
Office of Secretary	1000 (Inspection)
Packer and Stockyard Administration	400
States Relations Service	1100
	$ 8125

*The Bureau of Markets is furnishing all papers required for their work, and all envelopes except those used in mailing press stories. The amount $100 is intended to cover this item.
(This paragraph appeared only on memo to Bureau of Markets.)

DEPARTMENT OF AGRICULTURE

OFFICE OF THE ASSISTANT SECRETARY

WASHINGTON, D. C.

January 28, 1933.

In order to carry into effect the provisions of Memorandum No. 588, dated February 5, 1932, and to provide the Division of Publications with a sufficient staff of paper to meet the requirements of their increased activities, a liability in the sum of $ should be set up on your records and carried subject to the requisition of this division.

This amount is estimated on a basis of the actual cost of service rendered to your bureau during the period July 1st to December 31st, 1931. Any amount remaining unexpended by the Division of Publications on May 31st will be released to your bureau and may be expended for other purposes.

Secretary.

The above cost was sent to following with accounts as shown below:

Bureau of Animal Industry	$ 880
Biological Survey	760
Chemistry	320
Entomology	700
Forestry	100
Farm Management	175
Federal Horticultural Board	320
Forest Service	1300
Nitrogen Laboratory	80
Plant Industry	1000
Public Roads	300
Office of Secretary	1000
Weather and Stockyards Administration	300
Bureau Relations Service	1100
	$8135

The purpose of Memorandum is limiting all paper required for their work, and all duplicates except those used in mailing press stories. The amount, 100 is intended to cover this item.

(This paragraph applies only on work to Bureau of Animal Industry.)

Amounts estimated for six months - January 1 to June 30, 1922.

Bureau of Animal Industry	$ 650	Davis and Norman
Biological Survey	750	Conden
Chemistry	250	
Entomology	300	Cleary
*Markets	100	Smith
Farm Management	175	Kelleher
Federal Horticultural Board	300	Elmore
Forest Service	1250	
Nitrogen Laboratory	50	
Pla nt Industry	1600	Coxe Coleman
Public Roads	200	Moore Allen
Office of Secretary	1000	
Packer and Stockyard Administration	400	Ogden
States Relations Service	1100	Stapleton
	$8,125	

*The Bureau of Markets is furnishing all papers required for their work, and all envelopes except those used in mailing press stories. The amount $100 is intended to cover this item.

366 Jan 9

Amount expended for six months - January 1 to June 30, 1938.

Bureau of Animal Industry	$ 840
Biological Survey	700
Chemistry	560
Entomology	300
Forest	100
Farm Management	175
Federal Horticultural Board	300
Forest Service	2,500
Nitrogen Laboratory	30
Plant Industry	1800
Public Roads	700
Office of Secretary	1000
Packers and Stockyard Administration	400
States Relations Service	1,100
	$8,125

The Bureau of Marketing is furnishing all papers required for their work, and all envelopes except those used in mailing press stories. The amount $100 is intended to cover this item.

January 14, 1922.

Chief, Bureau of _____

In order to carry into effect the provisions of Memorandum No. 365, dated January 9, 1922, and to provide the Division of Publications with a sufficient stock of paper to meet the requirements of their increased activities, a liability in the sum of $____ should be set up on your records and carried subject to the requisition of this division.

This amount is estimated on a basis of the actual cost of service rendered to your bureau during the period, July 1st to December 31st, 1921. Any amount remaining unexpended by the Division of Publications on May 31st will be released to your bureau and may be expended for other purposes.

Secretary's File Room:
(Signed)
C. W. Pugsley
Acting
~~Assistant~~ Secretary.

January 14, 1944.

FILED

Order, Bureau of _____

In order to carry into effect the provisions of Amendment No. 304, dated January 8, 1944, and to provide the Division of Publications with a sufficient stock of paper to meet the requirements of their increased activities, a liability in the sum of $_____ should be set up on your records and carried subject to the regulation of this division.

This amount is estimated on a basis of the actual cost of service rendered to your bureau during the period, July 1st to December 31st, 1943. Any amount remaining unexpended by the Division of Publications on May first will be released to your bureau and may be expended for other purposes.

Assistant Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D. C.

January 24, 1922.

MEMORANDUM FOR MR. JUMP

McCormick
I have asked Mr. Wolfe to see you about this
WAF

Dear Mr. Jump:

I am returning herewith the papers in connection with the proposals to set up a fund for duplicating work in the Division of Publications. You will note that the Committee and also practically all of the Bureaus of the Department favor the plan proposed by the Office of Inspection.

I am attaching a form which it is proposed to send to the Chiefs of the Bureaus advising them of the amount to be set up as liability to cover duplicating work, in the event that the Secretary approves the proposed plan. You will note that the attached Secretary's memorandum will have to be signed again as the Committee has added a paragraph to it.

Yours very truly,

F. E. Ironside
Private Secretary.

(Enclosure)

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

January , 1922.

MEMORANDUM No.

Bureaus to set up Liabilities based upon Expenditures for Supplies incurred for their account by the Division of Publications.

In order that there may be maintained in the Division of Publications an adequate stock of paper and envelopes for use in carrying into effect the activities contemplated in Memorandum No. 342, each bureau will set up as of January 1, 1922, a liability based upon expenditures incurred for their account during the preceding six months. Beginning July 1, 1922, liabilities will be set up and carried for the entire fiscal year.

These liabilities will be taken up on the books of each bureau and carried as a reserve, subject to the order of the Division of Publications. The Division of Publications will draw requisitions for paper and envelopes against the fund so created and will transmit such orders through the bureaus in each case for initial and record. Orders will be pro-rated in such manner as to proportionately reduce the liabilities carried on the books of each bureau.

A monthly itemized statement of the value of all supplies used for the account of each bureau will be rendered by the Division of Publications and at the end of each fiscal year adjustments will be made on the basis of the actual cost of the supplies used. Should it appear that the amount carried by any bureau is in excess of its requirements, the excess will be released not later than June 1st of each fiscal year in order that the fund may be available to the bureau and expended for other purposes.

Should the initial allotment made by any bureau be exhausted prior to June 1st, an additional credit may be called for by the Division of Publications to cover any additional work for such bureau.

Secretary.

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

January 24, 1922.

MEMORANDUM FOR MR. H. T. CRONIN.

Dear Mr. Cronin:

In compliance with Mr. Pugsley's wish as expressed in your memorandum of the 21st instant to me, the Advisory Committee on Finance and Business Methods had Mr. Postle of the Bureau of Chemistry, Mr. Ward of the Office of Inspection, and Mr. Demaree of the Division of Publications, before it yesterday and heard them at length on the relative merits of the original plan of the Division of Publications and the substitute plan proposed by the Bureau of Chemistry. At the conclusion of this meeting and, in accordance with the expressed wish of Mr. Postle that the Bureau of Chemistry plan be specifically presented to the bureaus concerned for consideration, the Committee this morning called before it representatives of other bureaus of the Department, as follows:

Bureau of Biological Survey.
States Relations Service.
Office of Farm Management and Farm Economics.
Bureau of Animal Industry.
Packers and Stockyards Administration.
Bureau of Entomology.
Bureau of Public Roads.
Bureau of Markets and Crop Estimates.
Bureau of Plant Industry.
Federal Horticultural Board.

Each representative was in turn called upon to express the preference of his bureau and the unanimous opinion was that the plan proposed by the Division of Publications would be more acceptable.

The Committee appreciates that either plan will accomplish the purpose sought, but agrees with the bureau representatives generally that the Division of Publications plan should be the one adopted, as it will involve much less accounting, bookkeeping, and other paper work. Under the original plan proposed, no vouchering will be required. Under the plan proposed by the Bureau of Chemistry each of fourteen bureaus would be billed twelve times a year, with a total of 168 vouchers requiring transfer settlement through the Treasury Department; or, if the bills of the Division of Publications were rendered only quarterly there would still be required 56 transfer settlements. It should also be remembered that every transfer settlement involves considerable paper work not only here but also in the Treasury Department including the issuance of transfer warrants.

To meet an objection which discussion has developed, a paragraph has been added to the memorandum to take care of unanticipated bureau demands for mimeograph work.

Very respectfully,

A Dappone

Chairman, Advisory Committee on Finance
and Business Methods.

Enclosures.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D. C.

January 21, 1922.

MEMORANDUM FOR MR ZAPPONE,
Division of Accounts & Disbursements

Dear Mr. Zappone:

In accordance with Mr. Jump's suggestion I am returning herewith the papers in connection with the proposal to set up a fund for duplicating work in the Division of Publications. Mr. Pugsley would like to have the committee call Mr. Ward and Mr. Postle and consider carefully the two plans suggested herein and advise him as to the merits of each.

Will it be possible to have a meeting of the committee today in order to dispose of this matter? I understand that the Division of Publications is rather hard pressed for funds and there has been considerable delay in this matter.

Yours very truly,

H. T. Cronin
Private Secretary.

(Enclosure)

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

F

January 19, 1922.

MEMORANDUM FOR MR. CRONIN.

Dear Mr. Cronin:

Please note the statement which the Bureau of Chemistry has submitted. The proposed memorandum by the Secretary on this subject has not yet been issued. It has been signed, but is being held up pending final determination of the matter considered in connection with what the Bureau of Chemistry has to say.

When I passed the memorandum in to the Secretary for signature I relied largely on the fact that the Committee on Finance and Business Methods in consulting with the Department had found only one bureau which dissented. This indicated that the plan was a pretty good one. On reading the memorandum of the Bureau of Chemistry, however, I must confess the proposition they put up seems most businesslike. For instance, the question arises why such extraordinary measures contrary to ordinary business practice must be adopted by the Department to enable the centralized plan to work efficiently. That is one of the first things people will bring up as a complaint whenever centralization is proposed. They say there are so many extraordinary things which must be done to bring it about. If we could always assure those affected that it could be handled in a perfectly businesslike and ordinary way there might not be such objection.

What the Bureau of Chemistry proposes, in a nut shell, as I understand it, is that the Division of Publications simply bill them at the close of the month or whatever other period is determined for the amount they owe it for services rendered and work performed. This certainly is the businesslike arrangement. It is what would be done in any ordinary business dealing.

To meet the obstacle encountered by the Division of Publications quickly - that it has nothing to begin on - the Bureau of Chemistry proposes a pool in order to give Publications a start, and indicates its willingness to contribute a suitable portion toward the formation of such a pool. This would be the "capital" of the Division of Publications, in other words, and from then on they could go ahead on the basis of work done and charges rendered.

In view of all the circumstances, does not your office wish to give this matter further consideration, referring it to Mr. Pugsley if you deem that necessary, or referring it to the Advisory

Committee on Finance and Business Methods for reconsideration in connection with the proposal of the Bureau of Chemistry? I think the most important thing about the whole matter is that when we have succeeded in centralizing a piece of work, from that time on we ought to be just as careful as we can about imposing any kind of conditions or additional red tape on the bureaus in connection with the centralization. I have no doubt your office holds the same view. In fact, I am sure that the Division of Publications feels the same way about it. The only question is whether the procedure proposed by Chemistry would meet the situation. If it will not, then I think the sponsors of the other scheme should be required to show absolutely why it will not meet the situation.

Very truly yours,

Administrative Assistant.

Enc.

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

WASHINGTON, D. C.

UNITED STATES DEPARTMENT OF AGRICULTURE

BUREAU OF CHEMISTRY

WASHINGTON, D. C.

ADDRESS REPLY
CHIEF, BUREAU OF CHEMISTRY
AND REFER TO

January 16, 1922.

MR. BAIN:

Mr. Postle recently spoke to you briefly regarding the recommendation of Mr. Ward of the Office of Inspection and Mr. Demaree of the Division of Publications relative to setting up an allotment to assist them in the duplicating work they are now doing for the various Bureaus of the Department. As Mr. Postle explained to you, the Bureau strongly objects to the proposed procedure and I am glad of this opportunity of presenting to you in more detail some of the reasons for our objections to the procedure.

This Bureau is operating under an appropriation less than last year. In addition to this, in line with the request of the Bureau of Budget, we have set aside a certain amount which we will not use. Another unforeseen financial emergency has arisen; the Public Health Service has asked if it will not be possible for us to pay the salaries of the officials it has detailed to this Bureau to help us. For several years the Public Health Service has, without cost to us, detailed officials to assist in the Drug Administration work. Realizing that it was unfair to ask the Public Health Service to continue these details indefinitely without reimbursement, we asked Congress, some years ago, for permission to pay the men so detailed. This permission was granted. The Bureau is not in a position to quibble with the Public Health Service in regard to this matter, and accordingly, it will be necessary for us to make arrangements to reimburse the Public Health Service the amount of the salaries of the officials at present detailed here.

The financial situation in this Bureau is such that we are very carefully scrutinizing every expense. This applies not alone to amounts of $1,000 or even to $100, but even smaller amounts. We had a deficit of practically $35,000 at the beginning of this fiscal year. It was expected that this deficit would be wiped out by the reversion of money made available through resignations. The reversion has not been as great as was expected. We are confident that we shall work out our own salvation and on June 30, next, wind up the fiscal year with no deficit. It will be possible for us to do this only if we have absolute and complete control of all of our funds at all times.

The Bureau at present has made a full allotment of its appropriations for this year, and we have no unencumbered reserve

allotment on which to draw to set up an allotment for the Division of Publications. It will only be possible for us to create an allotment by an assessment of the various units of the Bureau. It will be impossible for us in making such an assessment to estimate the amount each unit will expend for duplicating work. That means that our guess will not be accurate and some units will be charged for duplicating work that should not be so charged. Other units will not be charged as much as they should be. It is true that this doubtless could be readjusted during the month of June; but at that time the fiscal year is so near the close that small benefit would be experienced by any of those units that might have their allotment increased. On the other hand, those units which had not been assessed their full amount would without doubt have no funds with which to meet the assessment caused by our incorrect guess in the first place. It is is very possible that the Bureau will find itself in such shape financially on July 1 that it will need to make drastic savings wherever possible. This may mean that next year very little duplicating work will be done; the work may not be nearly so great as the Division of Publications would estimate. Nevertheless, according to the plan of Messrs. Ward and Demaree, the Bureau would be compelled to set up an allotment of the amount estimated by them and would have nothing whatever to say in regard to this allotment until the following first of June.

When Messrs. Ward and Demaree discussed this matter with us they were told that the Bureau would most emphatically object to the procedure as proposed by them. We did not wish to be in the position of criticising their scheme without offering a plan which we though superior and accordingly we suggested the following: During the present fiscal year each Bureau will purchase a supply of stock and deliver it to the Division of Publications, for which no charge will be made. The Division of Publications then will be placed on its feet and be in a position to do business in a business-like way; that is, it will proceed with the orders from the different bureaus and at the end of each month submit to the Bureau having work done a voucher for the services for that month. The Bureaus, we are confident, will start the Division of Publications off with a three or four months supply of stock. The Division of Publications then will at all have at all times an ample supply of stock on hand. Immediately the voucher is submitted to a Bureau, the Division of Publications can proceed to draw requisitions for such additional stock as it needs up to the full amount of the voucher. When a voucher is submitted in the manner we propose, it will be easy to charge each unit of this Bureau with the exact amount of work it has had done.

The Bureau by this means will have absolute control over its funds, which I think is proper. The different units of this Bureau will have absolutely no objection to such a procedure, as each one will be called upon to pay for the exact amount of work done for it. There will be no guess work about it at all.

I hardly think it necessary, but I do want to assure you, in case the plan as proposed by Messrs. Ward and Demaree is finally decided to be the more meritorious one, that this Bureau will do whatever it can to make this centralized duplicating office a success. We do hope, however, that serious consideration will be given to our objections. If they are deemed sufficiently meritorious for further consideration we shall be glad to furnish any additional facts we can.

Respectfully,

W. M. Skinner

Acting Chief.

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

January 9, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

By reference from the Assistant Secretary, the Advisory Committee on Finance and Business Methods has had under consideration the attached memorandum from the Chief of the Division of Publications to the Assistant Secretary, dated December 13, 1921, in regard to providing an adequate supply of paper and envelopes for use by the Division of Publications in carrying into effect the activities of the department contemplated in Memorandum No. 342, dated June 20, 1921. After conferring with representatives of the bureaus concerned, the Committee finds that all bureaus affected, with the exception of one, are favorable to setting up liabilities based upon expenditures incurred for their account by the Division of Publications, as proposed in the attached memorandum, and the Committee recommends your approval and issuance of same.

Very respectfully,

A Zappone

Chairman, Advisory Committee on Finance
and Business Methods.

Enclosures.

UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF THE DIRECTOR OF INFORMATION

December 19, 1921.

Mr. Pugsley:

I think O.K. It means only help in the form of advances from the bureaus in financing work. Will cost them no more in the long run and in fact may reduce the cost by enabling buying of supplies in larger quantities.

Harlan Smith.

S

MR. SMITH,
DIRECTOR OF INFORMATION.

Yes
JEG

UNITED STATES DEPARTMENT OF AGRICULTURE
DIVISION OF PUBLICATIONS
WASHINGTON

ADDRESS REPLY TO
"CHIEF, DIVISION OF PUBLICATIONS"
AND REFER TO

C

PRESS SERVICE
PUBLICATIONS
MOTION PICTURES
EXHIBITS

December 13, 1921.

MEMORANDUM FOR THE ASSISTANT SECRETARY.

Dear Mr. Pugsley:

The consolidation of the addressing and duplicating work in this Division has brought up a problem which needs to be handled immediately in order to avoid complications later on. We are faced with the difficulty of providing adequate supplies of paper for use in the A. D. and M. Section with the funds at the disposal of this Division. We have a fund of $10,000 for stationery and supplies. This is available at the rate of $2,500 per quarter. The consolidated section is, however, using very close to 100 reams of paper per week and between 80 and 90 thousand envelopes, involving a total expenditure of approximately $200.

Under the provisions of the Secretary's memorandum issued last summer the Division charges the bureaus for stationery used in filling their requisitions and is reimbursed through Treasury settlement. We find, however, that it requires approximately thirty days to secure these refunds. Orders for paper and stationery bought on contract are filled usually in about sixty days time so that the Division must keep on hand approximately a 2-months supply to be on the safe side. You can readily see that the turn over of our funds is not rapid enough to do this and some other plan must be adopted.

Our records showing the amount of paper and envelopes needed by the consolidated unit cover only the past few weeks and can not be taken as an entirely reliable index of the needs for a full year. They do, however, give some idea of the amounts which will be required. I have accordingly had made up an estimate of the sums necessary to cover the cost of paper and envelopes for each bureau for the remainder of the fiscal year, plus the amounts necessary to enable the Division to build up a reserve stock. I should like to have authority from you to call on the bureaus to purchase paper and envelopes on the requisition of this Division in the amounts shown below. The stocks thus purchased will be set up to the credit of each bureau and the cost of paper and envelopes used in filling bureau requisitions will be charged off at the end of each month, statements being submitted to the bureaus if desired to show the monthly balance. At the beginning of the next

fiscal year another estimate based on records which will be obtained in the meantime will be made and a further budget drawn up. The amounts involved at present are as follows:

Bureau of Animal Industry.....	$ 650
Biological Survey.....	750
Chemistry.....	250
Entomology.....	300
*Markets.....	100
Farm Management.....	175
Federal Horticultural Board.....	300
Forest Service.....	1250
Nitrogen Laboratory.....	50
Plant Industry.....	1600
Public Roads.....	200
Office of the Secretary.....	1000
Packer and Stockyards Administration.	400
States Relations Service.....	1100
	$ 8125

*The Bureau of Markets is furnishing all paper required for their work, and all envelopes except those used in mailing press stories. The amount $100 is intended to cover this item.

Very sincerely yours,

Geo. L. Quaw Jr.
Chief of Division.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

January 27, 1922.

MEMORANDUM NO. 366.

APPARENT VIOLATIONS OF SECTION 32 OF THE PENAL CODE TO BE REPORTED.

Section 32 of the Penal Code (35 Stat., 1095) reads as follows:

"Whoever, with intent to defraud either the United States or any person, shall falsely assume or pretend to be an officer or employee acting under the authority of the United States, or any Department, or any officer of the Government thereof, and shall take upon himself to act as such, or shall in such pretended character demand or obtain from any person or from the United States, or any Department, or any officer of the Government thereof, any money, paper, document, or other valuable thing, shall be fined not more than one thousand dollars, or imprisoned not more than three years, or both."

Apparent violations of the statute cited, which may at any time come to the attention of an officer or employee of this Department, should be promptly reported to the Secretary, through the proper bureau chief, for reference to the Department of Justice.

Henry C. Wallace

Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

February 6, 1922.

MEMORANDUM No. 367.

Amendment to the Administrative Regulations.

Paragraph 219 of the Administrative Regulations is hereby amended to read as follows:

219. MONTHLY LIABILITY STATEMENT.- Monthly statements shall be prepared by the several bureaus showing, under each subappropriation, the amount thereof, the total fiscal year liabilities appearing on the bureau's books at the time the statement is rendered, the unencumbered balance of the appropriation, the total allotment to the end of the quarter in which the statement is rendered, the quarterly liabilities appearing on the bureau's books at the time the statement is rendered, and the unencumbered balance of the allotment. These statements will be prepared in duplicate, the original being forwarded to the disbursing clerk and the duplicate retained in the bureau.

Henry C. Wallace
Secretary.

OFFICE OF

THE SECRETARY OF AGRICULTURE.

REFERRED TO

Mr Ashley

FOR—

Approval	Initials
Attention	Memorandum
Comment ✓	Note and file
Consideration	Note and return
Correction	Recommendation
Investigation	Rush

8—3460

Mr. Jump:

The regulation is OK.

The size and design of the proposed form will be discussed with Mr. Zappone later, it being our belief that the form adopted should be suitable for preparation in the ordinary typewriting machine designed for letter correspondence if possible.

Ashley

United States Department of Agriculture,

Division of Accounts and Disbursements,

Washington, D. C.

January 26, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

The Advisory Committee on Finance and Business Methods submits herewith for your approval and issuance a memorandum amending paragraph 219 of the Administrative Regulations of the department, relating to monthly liability statements. The proposed regulation does not require the bureaus to classify liabilities under the heading of salaries, authorizations, purchase orders, and contracts and leases as at present, for the reason that this distribution has no value on the liability statements and requires considerable time and labor in preparation. The elimination of this distribution will make it possible to use a smaller and more simplified form which will meet all the requirements. As the Office of Inspection very seldom has occasion to refer to these statements, the portion of the present regulation which requires a copy to be furnished that office has been omitted.

The supply of the present form of liability statement is running low and a reprint will be required in the near future. Considerable saving will be effected if the proposed memorandum is issued.

Very respectfully,

A Zappone

Chairman, Advisory Committee on Finance and Business Methods.

Enclosure.

Cordelia by
Zeppone &
Ashley

U. S. DEPARTMENT OF AGRICULTURE.

.....
(Bureau)

Liability Statement as of.....

APPROPRIATION	FISCAL YEAR.			QUARTER ENDING.....		
	Amount of Appropriation	Total Liabilities	Unencumbered Balance	Allotment	Liabilities	Unencumbered Balance
	84pts	84pts	84pts	84pts	84pts	84pts
	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	100,000.00

Mr Lappin agreed to
Sheet 10" x 8

U S DEPARTMENT OF AGRICULTURE

BUREAU OF _____

LIABILITY STATEMENT AS OF _____

Annual Statement			Quarterly Statement		
Appropriation	Liabilities Annual Charges and Authorizations	Unincumbered Balance	Allotments to _____	Liabilities	Balance

Fiscal Year

Quarter

Size 10"x14" = 4 to sheet

" 10"x9⅓" 6 to sheet

This size will answer the needs of all bureaus except two or three. These can use two or more sheets.

W-W

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

January 13, 1922.

MEMORANDUM TO
CHAIRMAN OF
COMMITTEE ON FINANCE AND BUSINESS PRACTICE

Dear Mr. Zappone:

I transmit herewith for consideration by your Committee a proposed form of liability statement, together with a proposed amendment to paragraph 219 of the Administrative Regulations.

It will be noticed that the proposed regulation does not require the bureaus to classify liabilities under the headings of "salaries, expenditures, authorizations, purchase orders, contracts, and leases", and no provision has been made on the form for such a distribution. This distribution is omitted for the reason that it has no value under present departmental organization, is seldom, if ever, referred to, requires considerable labor and time in preparation and necessitates the use of a form which can be prepared only in a "wide carriage" typewriter. The elimination of this distribution from the form will make it possible to use an approximately 9 x 10 inch sheet which can be prepared in the regular letter size machine, will cut economically from paper stock, and will answer the requirements of a large number of the bureaus. Where sufficient space is not provided on one form a bureau can, of course, use sufficient additional sheets to complete the report. I believe in no case would this require more than one additional sheet, making a report of two pages.

The proposed amendment to the Administrative Regulations further provides that the copy of the liability statement at present forwarded to and filed in the Office of Inspection shall be discontinued. This is recommended for the reason that there is very seldom any occasion for the Office of Inspection to refer to these reports, and it is believed that the file maintained in the office of the disbursing clerk will sufficiently answer all future requirements.

The advantages which will accrue to the bureaus from the adoption of a form which can be prepared in the ordinary typewriting machine is obvious. The further fact that the proposed form will make unnecessary the compilation, transcription, and verification of a large number of figures, of which no use is now being made, will also appeal favorably to the bureaus.

It is suggested that action be taken by the Committee on this

recommendation without awaiting the prospective amendment to the Administrative Regulations which is now in contemplation, since the supply of liability statement forms in stock is running low and a reprint will be required in the very near future. It is therefore suggested, should the Committee consider this recommendation favorably, that requisition be drawn for the revised form instead of for the form which is now in use.

Very truly yours,

Herbert S. Ward

Acting Inspector in Charge.

MEMORANDUM NO. _____

Amendment to the Administrative Regulations.

Paragraph 219 of the Administrative Regulations is hereby amended to read as follows:

219. MONTHLY LIABILITY STATEMENT.-- Monthly statements shall be prepared by the several bureaus, showing under each sub-appropriation the amount of the appropriation, the total fiscal year liabilities to date, the available balance as of the next day; the total allotment to the end of the next quarter, the quarterly liabilities to date, and the available balance under the same. This statement will be prepared in duplicate, one copy being retained in the bureau and the original forwarded to the disbursing clerk, for his information and file."

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

WASHINGTON, D. C.

February 6, 1922.

MEMORANDUM No. 368

Handling of Traffic of the Department.

In compliance with circular No. 41 of the Bureau of the Budget, dated October 10, 1921, and as announced by circular No. 86 of this department, dated November 5, 1921, Mr. Elmer E. Forbes of the Office of Inspection has been designated by me as the representative of the Department of Agriculture on the Federal Traffic Board and as Traffic Manager of the Department of Agriculture. He will give such supervision to the movement of the traffic of the department as will insure full compliance with the requirements of the Federal Traffic Board. He is authorized to call for such information from each bureau or division as may be necessary to enable him properly to discharge his responsibilities, and to give such instructions as he may deem advisable for the prompt and efficient movement of the traffic. In the discharge of these duties he will report to the Secretary of Agriculture and bring to his attention any substantial changes in procedure which may be required from time to time. Hereafter, every Government shipment will be covered by Government bill of lading, upon which complete routing must be indicated. Shipping officers will confer with the department's representative on the Federal Traffic Board in determining the routing of all ~~less than two carload~~ shipments.

Henry C. Wallace

Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

2-3-22
~~December 9, 1921.~~

MEMORANDUM No.

Handling of Traffic of the Department.

In compliance with circular No. 41 of the Bureau of the Budget, dated October 10, 1921, and as announced by circular No. 86 of this department, dated November 5, 1921, Mr. Elmer E. Forbes of the Office of Inspection has been designated by me as the representative of the Department of Agriculture on the Federal Traffic Board. He will give such supervision to the movement of the traffic of the department as will insure full compliance with the requirements of the Federal Traffic Board. He is authorized to call for such information from each bureau or division as may be necessary to enable him properly to discharge his responsibilities, and to give such instructions as he may deem advisable for the prompt and efficient movement of the traffic. In the discharge of these duties he will report to the Secretary of Agriculture and bring to his attention any substantial changes in procedure which may be required from time to time.

Hereafter, every Government shipment will be covered by Government bill of lading, upon which complete routing must be indicated.

Shipping officers will confer with the department's representative on the Federal Traffic Board in determining the routing of all less-than-two-carload-shipments.

Shipments of materials and supplies of any character whatsoever of two carloads or more, whether consisting of Government property transported on Government bills of lading, or of property transported on commercial bills of lading for or on account of the department, shall not be forwarded until reference has been made through the representative of the department to the Federal Traffic Board, which reference will be made sufficiently in advance of contemplated movement of materials or supplies to enable that Board to designate the routing without delaying the movement. This contemplates reference to the Board in all cases where the entire movement in question consists of two carloads or more moving from a single point of origin to one or more destinations, even though the daily movement may consist of single carloads.

All vouchers for payment of freight charges, incurred by reason of movement of Government materials of two carloads or more, will, when forwarded to the General Accounting Office, be supported by the original bill of lading, on which must be shown the number of the routing order issued by the Federal Traffic Board.

Effective December 1, 1921, reports of bills of lading issued will be made in duplicate on Federal Traffic Board form No. 1 in accordance with instructions on the back of the form and routed to the Federal Traffic Board through the department's representative. Blank forms will be furnished shippers upon request by the department's representative.

Secretary.

Revised as indicated by Director of Traffic Coordination
WCL

United States Department of Agriculture,

Division of Accounts and Disbursements,

Washington, D. C.

December 9, 1921.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

The Advisory Committee on Finance and Business Methods has carefully considered Bulletin No. 41 of the Director of the Bureau of the Budget and Bulletins Nos. 7, 7-A, and 7-B of the Chief Coordinator for General Supply, relative to the Federal Traffic Board.

In Bulletin No. 7-A attention is invited to a memorandum issued by the Secretary of Commerce designating a Traffic Manager for the control and movement of traffic in that department. The Chief Coordinator for General Supply states that this is an excellent example of the kind of cooperation that will further the aims of the Federal Traffic Board and enable the Board to institute through all departments and establishments such economies and changes in organization as may be adopted as a result of the wide range of investigation into traffic matters now being conducted, and that he has no doubt that other departments will, in their own way, take action similar to that mentioned.

After careful consideration it does not appear to the Committee that the appointment of a Traffic Manager in the Department of Agriculture is necessary, as all of the essential functions of such an officer are now vested in the representative of the Department on the Federal Traffic Board if the attached form of the memorandum "Handling of Traffic of the Department" is approved by you.

The Federal Traffic Board has appointed from its membership committees on routing, classification, passenger traffic, accounting and payments, and parcel post and express. Upon the recommendation of these committees the Board will from time to time order certain changes in departmental traffic procedure, and it will be necessary for appropriate instructions to be issued by the several Executive Departments in accordance therewith. Certain requirements regarding the routing of shipments have already been issued and are included in the attached memorandum.

As you know Mr. Forbes, your representative on the Federal Traffic Board, is now in charge of the transportation section of the Office of Inspection. He has invited the attention of the Committee to the fact that his present quarters and present office force will no longer be adequate in view of the additional duties now imposed upon him. The Committee is inclined to his view of the situation and would therefore recommend that as soon as practicable steps be taken by the Chief Clerk of the Department to allot slightly larger quarters to Mr. Forbes and to provide two additional assistants and a messenger.

Respectfully,

A. Bappone

Chairman, Advisory Committee on
Finance and Business Methods.

Enclosure.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

November 5, 1921.

CIRCULAR NO. 86.

Department Representative on Federal Traffic Board.

As provided by Circular No. 41, of the Bureau of the Budget, Mr. E. E. Forbes, of the Office of Inspection, has been designated by the Secretary to be the representative of the Department of Agriculture on the Federal Traffic Board.

W. A. Jump

Administrative Assistant.

Circular No. 41.

TREASURY DEPARTMENT
Bureau of the Budget
Washington.

October 10, 1921.

FEDERAL TRAFFIC BOARD

TO THE HEADS OF DEPARTMENTS AND ESTABLISHMENTS:

1. For the purpose of effecting economies and better business administration throughout the Government service, in the handling of passenger and freight shipments, as well as shipments by express and parcel post, to utilize in a more practical way the various carrying facilities available and to institute methods for the prompt settlement of all transportation accounts; there is hereby established, under the general supervision of the Chief Coordinator for General Supply, a Federal Traffic Board.

2. It shall be the duty of the Federal Traffic Board to make a complete study of the traffic problems confronting the various departments and independent establishments of the Government. In cooperation with representatives of the Inter-State Commerce Commission, and the carriers, it will establish uniform classifications for all commodities, including raw materials as well as finished products, shipped by the Government so that shipments may be made at the lowest tariff rates. The Board will draw up plans for improving and standardizing methods of making shipments and for the settlement of accounts. These plans will be submitted to the Chief Coordinator, General Supply, who will take the necessary action in each case.

3. The activities of the Board shall be directed by its chairman under the title of Coordinator for Traffic, who shall, under the general direction of the Chief Coordinator for General Supply, select the necessary committees of the Board, direct the time and place of all meetings and the order in which the various elements of the problem shall be considered.

4. Immediately upon receipt of this Circular, the head of each department and independent establishment making shipments from time to time shall designate one representative to serve as a member of the Federal Traffic Board. Heads of departments and independent establishments concerned will report the names of such representatives to the Chief Coordinator for General Supply, who, upon receipt of this information, shall call the initial

meeting for purpose of organization.

5. Heads of the various departments of the Government are requested to furnish the Coordinator for Traffic, such information and clerical assistance as he may require in the prosecution of the duties assigned to him. Such clerical force will be requested in proportion to the amount of business handled in the respective departments.

6. The classification of commodities and the instructions governing shipments and methods of settling transportation accounts that are adopted by the Board and approved by the Coordinator for Traffic, after the procedure indicated in Paragraph 2 of this circular, shall, as far as applicable and in conformity with law, be binding upon and govern all departments, bureaus, agencies and offices of the Government in all shipments made by them.

7. All questions pertaining to the classification of materials or terminal, switching, freight rates, etc., which require the application of remedial measures, will be submitted to the Coordinator for Traffic, either for adjustment with the Classification committees representing the carrier, or for the presentation of a complaint with the Interstate Commerce Commission.

8. In the event of disagreement as to classifications, instructions governing shipments and methods of settling transportation accounts, or on methods of procedure, the case will be submitted to the Chief Coordinator for General Supply, whose decision shall be final as to the action taken, subject only to an appeal to the Head of the Department concerned.

By direction of the President.

CHARLES G. DAWES

Director of the
Bureau of the Budget.

IN REPLY PLEASE REFER
TO T-500-40-A

OFFICE OF CHIEF COORDINATOR FOR GENERAL SUPPLY

WASHINGTON

BULLETIN 7

16 November 1921.

To: Heads of Government Departments and Establishments.

The Federal Traffic Board is now able by reason of experienced personnel attached thereto, the complete tariff files and other data available, to render valuable service to the Government in all matters connected with the proper and economical routing of Government traffic.

It is therefore directed that shipments of materials and supplies of any character whatsoever of two carloads or more transported on Government bills of lading for or on account of any Government department or establishment, be not forwarded until reference has been made to the Federal Traffic Board, which reference will be made sufficiently in advance of the contemplated movement of the materials or supplies to enable that Board to designate the routing without delaying the movement.

This contemplates that reference to the Board be made in cases where the entire movement in question consists of two carloads or more moving from a single point of origin to one or more destinations, even though the daily movement may consist of single carloads.

It is further directed that all references as indicated above be made to the Federal Traffic Board through the particular member of that board representing the department or directing movement or shipment, or through one designated by that member.

H. C. Smither,
Chief Coordinator for General Supply.

Rush
Letter on 1st
Sec Secy

OFFICE OF CHIEF COORDINATOR FOR GENERAL SUPPLY

WASHINGTON

BULLETIN NO. 7 - A November 23, 1921.

FEDERAL TRAFFIC BOARD

1. The following circular issued by the Department of Commerce November 10, 1921 is quoted:

"To Officers and Employees of the Department of Commerce and others concerned:

"In compliance with circular No. 41 of the Bureau of the Budget, dated October 10, 1921, Noble N. Potts of the Secretary's Office has been designated by me as the representative of the Department of Commerce to serve as a member of the Federal Traffic Board. He is also hereby designated to act as Traffic Manager for the Department of Commerce and will have complete control of the movement of traffic of the Department and the handling of all matters relating thereto. He is hereby authorized to call for such information from each bureau or division as may be necessary to enable him to properly perform his duties, and to give such directions and instructions as he may deem advisable for the prompt and efficient movement of the traffic, and the disposition of all matters arising therefrom. All communications from the Traffic Manager and instructions from him must be complied with. He will report to the Secretary of Commerce."

2. The prompt and effective action taken by Secretary Hoover is an excellent example of the kind of cooperation that will further the aims of the Federal Traffic Board and enable the Board to institute through all departments and establishments such economies and changes in organization as may be adopted as a result of the wide range of investigation into traffic matters now being conducted. Such cooperation cannot fail to result in a high state of efficiency.

3. It is assumed that other departments and establishments having representatives on the Federal Traffic Board have, in accordance with their own methods, taken similar action to that quoted above.

However, if this has not been done in any instance, it is essential, in order to insure that cooperation which is necessary to the solution of the important problem with which the Traffic Board is charged, that all concerned within a particular department or establishment be advised of the appointment of its Traffic Manager or representative of the head of such department on the Federal Traffic Board.

In order that this office may be kept informed, it is requested that it be furnished with a copy of such announcement as is made by each department or establishment designating its representative on the Federal Traffic Board and defining his authority within his department or establishment.

H. C. SMITHER,
Chief Coordinator, General Supply.

OFFICE OF CHIEF COORDINATOR FOR GENERAL SUPPLY

WASHINGTON

30 November 1921.

Bulletin No. 7-B

To: Heads of Government Departments and establishments.

Bulletin No. 7 issued 16 November 1921, is hereby extended to include all movements of Government materials of two carloads or more whether moving on Government or commercial bills of lading and whether the freight charges are ultimately paid by the Federal Government or not.

All vouchers for payment of freight charges, incurred by reason of movement of Government materials of two carloads or more, as directed in Bulletin No. 7 and the above paragraph, will have attached thereto the order issued by the Federal Traffic Board routing the movement, when forwarded to the General Accounting Office.

H. C. SMITHER
Chief Coordinator for General Supply.

INSTRUCTIONS.

1. All Government shipments must be covered by Government Bills of Lading, and complete routing supplied by issuing office.

2. This report will be forwarded, as directed by the head of each department, immediately upon the complete filling out of the sheet, but will, in all cases, be rendered at least monthly, and in such cases where no shipments have been made for the particular month in question the report will be forwarded bearing such notation.

3. The original copy of each report must be filed with the Coordinator for Traffic not later than the 15th of the following month.

4. Complete routing must be shown. For express, parcel post or motor transportation, the class of service only should be indicated in routing column.

5. Under "Commodity" a general statement as to nature of shipment, lumber, machinery, dry goods, groceries, etc., is required. Do not use nondescriptive or trade names.

6. The issuing officer will be responsible for the report of all Bills of Lading issued by him. When bills of Lading are transmitted to commercial shippers, a blank copy of this report and an addressed franked envelope to cover each Bill of Lading, if shipments are to move at different times, must accompany the order with instructions that each shipment be reported as made.

FEDERAL TRAFFIC BOARD

WAR TRADE BUILDING
20TH & B STS. N.W.
WASHINGTON, D.C.

ROOM 1030
TEL. MAIN 2520
BRANCH 140

C.G. MAYO.
Commander (S.C.) U.S.N.
Coordinator for Traffic and Chairman

MEMBERS

Department -	Address	Name
DEPARTMENT OF AGRICULTURE	Main 4650, branch 55	Elmer E. Forbes
CIVIL SERVICE COMMISSION	1724 F St. N.W., Main 75, branch 27.	H.G. Porter
DEPARTMENT OF COMMERCE	Disbursing Office, Room 114, Main 5060, branch 13	Noble Newport Potts
FEDERAL BOARD FOR VOCATIONAL EDUCATION	Secretary & Chief Clerk, 200 New Jersey Ave., Main 7890, branch 136.	E. Jos. Aronoff
DEPARTMENT OF INTERIOR	New Interior Bldg. Room 6306, Main 1880, branch 596.	Chas. E. Harris
INTERSTATE COMMERCE COMMISSION	Roon 408, Main 7560.	Jos. C. Colquitt
DEPARTMENT OF JUSTICE	Room 524, Main 196, branch 150.	E.J. Matchett
DEPARTMENT OF LABOR	Disbursing Office, Main 8474.	Geo. W. Love
MARINE CORPS	Room 3215, New Navy Bldg. branch 635, Main 2520.	Lt. Spencer N. Phillips

Department -	Address	Name
DEPARTMENT OF THE NAVY	Room 2038 A, War Trade Bldg., Main 2520, br 171.	Comdr. C G. Mayo
THE PANAMA CANAL	Old Land Office Bldg., Main 4294.	W.J. Fisher
POST OFFICE DEPARTMENT	Div. Equip. & Supplies Main 7272, Branch 327.	G.W.Smith
UNITED STATES RAILROAD ADMINISTRATION.	Hurley-Wright Bldg., Room 1006, Main 7940, branch 54.	Chas. I . Johnson
UNITED STATES SHIPPING BOARD EMERGENCY FLEET CORPORATION	Tempo Bldg., #1, 1800 D St., Main 5201, br. 2268.	H.B. Bolton
SMITHSONIAN INSTITUTION	National Museum, Main 1811, branch 60.	W.H. Kimbal
UNITED STATES TARIFF COMMISSION	Old Land Office Bldg., Room 512, Main 3947, br. 1, 8th & E Sts. N.W.	John F. Bethune
DEPARTMENT OF THE TREASURY	Main 6400, br. 35 or 478.	Chas. A. Fenner
UNITED STATES VETERANS BUREAU	Room 142, Arlington Bldg. Main 6680, branch 318.	Horace Spence
DEPARTMENT OF WAR	Room 2323 Munitions Bldg. Main 2520, branch 1475.	Capt. H.Bert Knowles
DEPARTMENT OF WAR	Room 3004 Munitions Bldg. Main 2520, branch 1243.	Capt. E.M. Foster
ALIEN PROPERTY CUSTODIAN	16th & P Sts., N.W. Main 1962, branch 22.	G.G. Johnston
COMMISSIONERS OF THE DISTRICT OF COLUMBIA	District Bldg. Main 600, branch 367.	Morris Hacker
GOVERNMENT PRINTING OFFICE	Main 6840, branch 31.	W.H. Kerwin
LIBRARY BLDG. & GROUNDS	Superintendent, Main 2727	Frank L. Averill.
LIBRARY OF CONGRESS	Mail & Delivery Section, Main 2727.	Samuel M. Croft
DEPARTMENT OF STATE	State, War & Navy Bldg. Room 110, Main 4510, branch 47.	J.D. Johnson

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J.C. Colquitt - Chairman
Charles E. Harris
H.B. Knowles
J.F. Bethune
N.N. Potts

Assistant - M. Elenbaum.

COMMITTEE ON ROUTING -

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E.E. Forbes
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Assistant - H.P. Ware

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G.W. Love - Chairman
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E.E. Forbes
E.J. Aronoff

Assistant - F.H. Jones.

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H.B. Bolton
E.M. Foster
H.G. Porter
H. Spence

Assistant -

Secretary to the Board - Captain E.M. Foster.

Assistant to the Secretary - Robert A. Ritter.

November 30, 1921.

Mr. E. E. Forbes,

Office of Inspection.

Dear Mr. Forbes:

By reference from the Secretary, the Advisory Committee on Finance and Business Methods has under present consideration Colonel Smither's Bulletin No. 7-A of November 28, 1921.

In compliance with the request contained in that bulletin, an appropriate reply to Colonel Smither has been submitted to the Secretary for his signature, in which announcement of your appointment as this Department's representative on the Federal Traffic Board is indicated.

In order that this Committee may bring to the notice of the Secretary the appointment in the Department of Commerce of a Traffic Manager, with a view of having the Secretary consider the question of a similar appointment in this Department, will you not kindly let the Committee have a detailed statement outlining what, in your opinion, the functions of such an officer in this Department would be, the changes in the present fiscal procedure which this would involve, and the additional office force, if any, which would be required to carry such a plan into effect in this Department.

An early reply will be appreciated.

Very respectfully,

Chairman, Advisory Committee
on Finance and Business Methods.

f. p.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO. T.

December 5, 1921.

Mr. A. Zappone, Chairman,
Advisory Committee on Finance
and Business Methods.

Dear Mr. Zappone:

Receipt is hereby acknowledged of your letter of November 30, 1921, advising that your Committee has under consideration Bulletin No. 7-A, issued by the Chief Coordinator for General Supply, dated November 23, 1921, which had been referred to your Committee by the Secretary, propounding certain questions.

In reply thereto, you are advised that the Federal Traffic Board was created by the Director of the Bureau of the Budget by direction of the President. (See copy of Circular No. 41, under date of October 10,1921, enclosed herewith.) The Federal Traffic Board is to be permanent.

For the present, it is the desire of the Federal Traffic Board to secure the full and complete cooperation of all the Departments in carrying out and putting into effect the official bulletins and circulars issued by that organization, and the Board's idea of what constitutes full and complete cooperation is clearly defined in Bulletin No. 7-A, dated November 23, 1921. Copy enclosed.

In my judgement a Traffic Manager for this Department should be appointed without delay, vested with the necessary

authority to carry out the orders issued by the Federal Traffic Board, and subject only to the authority of the Secretary.

There are several things that need the immediate attention of a Traffic Manager. I am enclosing herewith a copy of Federal Traffic Board Form No. 1. This form is designed to secure for the information of the President and the heads of Departments the exact tonnage, and commodities shipped by Freight, Express, and Parcels Post for the entire Government, and the full routing of all freight shipments, such information especially desired by the Board. This Form, F. T. B. No. 1, was made effective December 1, 1921, and it will be necessary that copies be sent to every employee and contractor, who makes any shipment F. O. B. at point of origin, and it should go out immediately signed by the Traffic Manager under the direction of the Secretary.

When this form has been filled out by the shippers it should be returned to the Traffic Manager who should tabulate it, and forward to the Federal Traffic Board.

I am enclosing for your information copies of Bulletin No. 7, dated November 16, 1921, and No. 7-B, extending the scope of Bulletin No. 7, dated November 30, 1921. These bulletins are effective December 5, 1921.

You are further advised that the Committee on Routing is the only Committee at this date able to function and that this Committee has been doing business for some time, operating under the provisions of Bulletin No. 7, and furnishing many routings for the

various Departments. In one instance, this Committee saved for this Department approximately $1,200.00 covering a shipment of 30 carloads.

The other Committees of the Board will be in a position to function as soon as the answers to the questionaires are received and analyzed. When this work is completed the Board will no doubt issue such official Bulletins as they may deem proper to secure uniformity, economy, and efficiency. As to what changes in the present fiscal procedure in this Department one cannot at this time make an accurate reply. I assume that when official orders are issued by the Board the Traffic Manager would confer with the Committee on Finance in this Department, before putting such orders into execution.

It is difficult at this time to advise the number of employees necessary to carry on the work. I would venture the opinion that at this time the Traffic Manager, who must necessarily be a member of the Board, could carry on the work and perform other duties with the help of five clerks and one messenger.

It is respectfully suggested that as this work is of a highly technical character, that the employees of the Traffic Manager, be adequately compensated for their work. There are a great many details in connection with this work that can be more fully explained verbally, and I would be glad to be of any service to the Committee in explaining them if the Committee

desires to hear them. May I not again, suggest to the Committee the urgent need of promptly disposing of this matter?

A copy showing the names of members of the Federal Traffic Board and the Committees assigned is attached hereto.

Very respectfully,

E. E. Jones

Member of Federal Traffic Board
(For the Department of Agriculture)

(Enclosures.

Copy sent Mr. Zappone.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

F

November 30, 1921.

Col. H. C. Smither,

Chief Coordinator for General Supply.

Dear Colonel Smither:

Replying to your bulletin No. 7-A, dated November 28, 1921, I am enclosing copy of circular No. 86, issued by this office under date of November 5, 1921, announcing the designation of Mr. E. E. Forbes as this Department's representative on the Federal Traffic Board. Under this designation I shall expect Mr. Forbes to function in every manner contemplated by circular No. 41 or subsequent instructions of the Bureau of the Budget on this subject. The Advisory Committee on Finance and Business Methods, of this Department, has at present under consideration the whole matter of transportation, and when they have gone into the situation thoroughly it may be advisable to order changes in the present procedure in the Department with reference to the handling of transportation matters.

Respectfully,

Secretary's file
(Signed)

Secretary.

FOLLOW UP

Enclosure.

FOLLOW UP

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

November 29, 1921.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

The Advisory Committee on Finance and Business Methods has noted Bulletin No. 7-A from the Chief Coordinator for General Supply, dated November 23, 1921, in regard to the Federal Traffic Board, and is of the opinion that same should be acknowledged and has prepared a letter accordingly for your signature.

In the meantime your Committee will take under consideration the bulletin in question and make recommendations or suggestions in line with same as may be deemed necessary or advisable.

Very respectfully,

A Zappone
Chairman, Advisory Committee on Finance
and Business Methods.

Enclosure.

United States Department of Agriculture,

Division of Accounts and Disbursements,

Washington, D. C.

August 22, 1921.

File

See Dept Memo 3168

Dig up in 3 months

MEMORANDUM FOR MR. JUMP.

Dear Mr. Jump:

The Advisory Committee on Finance and Business Methods has carefully considered Mr. E. E. Forbes' memorandum without date addressed to the Secretary of Agriculture in which he expresses the opinion that a general shipping and receiving office should be established under the supervision of a traffic manager for the entire Department and discusses in detail the functions which should be discharged by such an officer.

The Committee invites attention to several quotations from Title III of the Act approved June 10, 1921, providing, among other things, for the establishment of a general accounting office under the Comptroller General of the United States:

> Sec. 305. Section 236 of the Revised Statutes is amended to read as follows:
>
> "Sec. 236. All claims and demands whatever by the Government of the United States or against it, and all accounts whatever in which the Government of the United States is concerned, either as debtor or creditor, shall be settled and adjusted in the General Accounting Office."
>
> Sec. 309. The Comptroller General shall prescribe the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments and establishments, and for the administrative examination of fiscal officers' accounts and claims against the United States.

> Sec. 312. (a) The Comptroller General shall investigate, at the seat of government or elsewhere, all matters relating to the receipt, disbursement, and application of public funds, and shall make to the President when requested by him, and to Congress at the beginning of each regular session, a report in writing of the work of the General Accounting Office, containing recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt, disbursement, and application of public funds as he may think advisable. In such regular report, or in special reports at any time when Congress is in session, he shall make recommendations looking to greater economy or efficiency in public expenditures.
>
> (d) He shall submit to Congress reports upon the adequacy and effectiveness of the administrative examination of accounts and claims in the respective departments and establishments and upon the adequacy and effectiveness of departmental inspection of the offices and accounts of fiscal officers.

In the light of the legislation above quoted, particularly Section 309, and further taking into consideration the probability if not certainty that the Comptroller General is now studying the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments, the Committee on Finance and Business Methods while inclined to concur in a general way in Mr. Forbes' suggestion, feels that it is inadvisable at the present time for the Department to change the present system of handling transportation business. The functions of the proposed traffic manager given by Mr. Forbes, even if considered merely as a procedure for the administrative examination of office accounts in the Depart-

ment of Agriculture, may be entirely changed when the Comptroller General shall have taken action under Section 309 above quoted. It is further possible that under Section 312 (a), quoted above, the recommendations of the Comptroller General to Congress may, if embodied in legislation, further change the procedure within the Department.

The Committee on Finance and Business Methods therefore recommends that for the reasons above stated action be not taken at this time towards the establishment of the office of traffic manager in this Department.

Very truly yours,

A Zappone

Chairman, Advisory Committee on Finance
and Business Methods.

F

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

August 2, 1921.

Mr. A. Zappone,

Chairman, Advisory Committee on Finance and Business Methods.

Dear Mr. Zappone:

I am transmitting herewith, for consideration by the Advisory Committee on Finance and Business Methods, a memorandum which the Secretary has received from Mr. E. E. Forbes, of the Office of Inspection, in which he makes certain suggestions with reference to transportation and accounting matters.

Very truly yours,

Administrative Assistant.

Enc.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

THE HONORABLE, THE SECRETARY OF AGRICULTURE:

Pursuant to your memorandum to chiefs of bureaus and officers, dated June 17, 1921, relative to suggestions on reorginazion, I respectfully suggest consideration of a different method of handling the transportation of the Department and a return in part to the system inaugurated by Secretary Wilson, which resulted in a high state of efficiency at that time and enabled the Department at all times to carry a record of outstanding obligations and their exact status to date, and this record was immediately available for the information of interested parties.

Briefly: Under Secretary Wilson a system of central accounting was evolved and except for the proper bureau certification, all audit was given in the then Division Of Accounts And Disbursements. I had charge of the Transportation Section of this Office and handled the detail of all transportation matters for the entire Department, exclusive of Weather Bureau and Forest Service. To these two bureaus the section served in an advisory capacity, handling any tangle outright upon request.

In this section all transportation was issued and a complete record kept. All refunds on unused tickets, scrip books, mileage and etc., were collected. All passenger, freight and express accounts were billed to this office, stated, audited, and upon proper certification of each bureau liability, paid. Where land grant was involved in freight vouchers they were scheduled for direct settlement by the Treasury. All bills of lading were issued here for freight and express, correctly routed and advantage taken of land grant and agreement roads, thereby saving the Department a great deal of money in the course of a year; and all loss and damage claims were adjusted for the Department and their exact status

at all times available. All shipments became a part of the office records, whether made from the Department or in the field, by means of the memorandum bill of lading sent to the transportation section, and field losses or strayed shipments could be traced or adjustments made.

With the advent of Secretary Houston came a demand from certain bureaus for the recognition of the so-called Dockery Act, long ignored, providing for an audit of accounts within the bureaus. This resulted in a separate accounting office for each bureau together with a force to operate the same and in some cases this force was as large as that required to audit for the Department, the combined force being many times as large. Today the personel of the various accounting offices is a very large one.

Comparisons are odious, and doubtless many deserving people found positions but as a practical or business-like change it was on the face of it reckless extravagance of public moneys. No big business concern would so handle its various departments. Can you imagine a separate accounting office with its overhead charges for each branch of its activities? This is today the method of handling the accounts for Agriculture, and the result is apparent in the constant demand for the settlement of some old account which cannot be located and bears no definite marks of relationship to any bureau on its scarred and ancient face.

Ignorance of the proper handling of transportation, making adjustments or securing refunds within the limit of time specified results in loss to the employee or the Department, and much valuable time is lost in tracing for information from the proper source of liability through the eighteen different offices responsible for the audit and payment of their own accounts.

Under the Budget System about to be adobted, the audit of accounts will be centralized and it seems to me a general shipping and receiving office should be established under the supervision of a traffic manager for the entire Department. The traffic manager should be under the direction of the Secretary or Chief Clerk and should be given sufficient clerical force to carry on the work suggested below:

1. Issue and sign all transportation requests.

2. Issue all bills of lading and give them proper routing.

3. Issue all express charge slips.

4. See that all shipments are properly classified and thereby secure lowest available rate.

5. Make all claims for loss and damage to express and freight shipments.

6. Make all adjustments and collections on passenger transportation.

7. Receive and record by bill number and amount every voucher pertaining to transportation matters, presented against the Department.

8. Maintain a complete file of passenger tariffs.

9. Maintain a limited freight tariff equipment as large as possible for the proper conduct of the office.

10. Handle all correspondence relative to any of the above.

These suggestions, respectfully submitted for such consideration as you may deem proper, have been repeatedly urged upon my immediate superior, Mr. Ashley, for consideration by the Finance Committee. I have made written recommendations, going much more into detail and the special and peculiar needs for such handling of transportation matters. The bureau opposition has always been too strong to obtain any consideration of what I have always urged as practical and business like methods. With the new order of things and the great financial need for reorganization, I have ventured to call your attention to this part of the business conduct of the Department which enters so largely into all of its workings.

Very respectfully,

E. E. Fonbas

Executive assistant.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

February 7, 1928.

MEMORANDUM NO. 369

(Superseding Memorandum 61 of Jan. 17, 1914).

Correspondence with International Institute of Agriculture.

Hereafter routine correspondence of the Department with the International Institute of Agriculture at Rome and the distribution of publications of the Institute which come to the Department will be handled through the Bureau of Markets and Crop Estimates. It is believed that this arrangement will prove of advantage because most of the Department's correspondence with the Institute relates to statistics of crop and live stock production, stocks and prices, and the Bureau of Markets and Crop Estimates necessarily communicates by cable and by letter directly with the Institute regarding such matters.

Correspondence relating to appointments of permanent delegates to the Institute and of delegates to the general assembly meetings, appropriations, or involving matters of Departmental policy in relation to the Institute will be handled in the Office of the Secretary.

Henry A. Wallace
Secretary.

Office Orders
Mr Quigley
+ Dr Ball
MEJ

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF MARKETS AND CROP ESTIMATES
WASHINGTON

January ~~25~~ 30, 1922.

MEMORANDUM NO. _____
(Superseding Memorandum 61 of Jan. 17, 1914).
Correspondence with International Institute of Agriculture,

Hereafter routine correspondence of the Department with the International Institute of Agriculture at Rome and the distribution of publications of the Institute which come to the Department will be handled through the Bureau of Markets and Crop Estimates. It is believed that this arrangement will prove of advantage because most of the Department's correspondence with the Institute relates to statistics of crop and live stock production, stocks and prices, and the Bureau of Markets and Crop Estimates necessarily communicates by cable and by letter directly with the Institute regarding such matters.

Correspondence relating to appointments of permanent delegates to the Institute and of delegates to the general assembly meetings, appropriations, or involving matters of Departmental policy in relation to the Institute will be handled in the Office of the Secretary.

Secretary.

OK sump
McPupley.

Copies sent Mr. Pugsley and Dr. Ball.

F

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

January 20, 1932.

MEMORANDUM FOR MESSRS. TRUE AND ESTABROOK.

Gentlemen:

The Secretary has approved the recommendation contained in your memorandum of January 7 as to the method of conducting the business of the Department which relates to the International Institute of Agriculture.

Very truly yours,

Vos. Jump

Administrative Assistant.

Per note:
"P.S. Tell you I prefer a suggested memo to circulate covering the procedure adopted"
MLW

Follow Up

1/11/22.

Woulfe:

Miss Ryder thinks Dr. True and Mr. Estabrook must have received verbal instructions from the Secretary. I am attaching some correspondence which may be useful.

JH

OFFICE OF THE SECRETARY OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE,
STATES RELATIONS SERVICE,
WASHINGTON, D. C. JLW

JAN 1

January 7, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

In the matter of method of conducting the business of the Department which relates to the International Institute of Agriculture, the undersigned, to whom you referred this matter, make the following suggestions for your consideration:

(1) That the present Committee on Relations with the Institute be abolished.

(2) That routine matters involved in the Department's dealings with the Institute be handled through the Bureau of Markets and Crop Estimates.

At present the Institute deals chiefly with economic matters, and particularly agricultural statistics. The Bureau of Crop Estimates had regular dealings with the Institute for a considerable time and these are being continued in the combined Bureau. Arrangements can easily be made in this Bureau for taking care of other routine matters relating to the Institute. Among these is the distribution of certain publications of the Institute which is now made through the States Relations Service.

(3) That matters relating to the appointment of delegates, the securing of appropriations, and general policies of the Department in its relation to the Institute be attended to under the immediate direction of the Secretary.

Very truly yours,

A C True

Leon M Estabrook

Approved
HCW

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

February 11, 1922.

MEMORANDUM NO. 370

Proposals for supplies to be handled by Board of Awards.

In some cases employees of the Department in Washington, without consulting with the Department Board of Awards, have secured proposals direct for the furnishing of supplies, etc., and with no date of opening set. When the bids were referred to the Board of Awards for acceptance it was found that they were not secured on a uniform basis and in some cases the bureaus did not place the lowest bid before the Board for consideration. This has resulted in placing the Department in an embarrassing and unbusinesslike position in making awards on bids obtained in this manner and in endeavoring to explain why the low bids were not accepted.

The Department Board of Awards now has complete machinery in operation for the handling of proposals and substantial savings are being effected by reason of the fact that the Board is in touch with a large number of dealers in commodities of all kinds, obtains much free advertising on contemplated purchases and, therefore, secures wide competition. It also makes certain that proposals obtained by it are secured on a uniform basis.

In order to place the work on a more businesslike basis generally, and particularly to eliminate the practices above mentioned, all proposals for supplies, equipment and services for use of the Department in Washington hereafter must be sent out through the Department Board of Awards.

Proposals for purchases for the field service should, wherever practicable, be sent out by the Department Board.

Acceptances of all bids in amounts over $50 must be made through the Department Board, except as otherwise provided in the Fiscal Regulations.

Every effort will be made to expedite the handling of business under this plan and bureau purchasing and administrative officers will cooperate fully with the Department Board of Awards in order that this may be done.

Henry A. Wallace
Secretary of Agriculture

MWJ

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF CHIEF CLERK,
WASHINGTON, D. C.

January 10, 1922.

MEMORANDUM FOR MR. JUMP.

Dear Mr. Jump:

This proposed memorandum deals with proposals and acceptances of bids only. The procedure outlined is not at present required by the regulations.

Paragraph 3 deals also with proposals - purchases of less than $50.00, purchases on exigency statement, or purchases from General Supply Committee schedules are not involved.

The memorandum, which has been submitted to the Committee on Finance and Business Methods, meets with its approval, and is intended to correct irregular practices in sending out and opening proposals. The practice too often followed by the bureaus in the past of securing their own proposals and then putting the matter up to the Board of Awards for recommendation has resulted in many embarrassing situations which have been very difficult to smooth over. The Board can handle any proposals which the bureaus desire to get out as promptly as the bureaus themselves and can safeguard the Department from some criticism.

Very truly yours,

W M Rees

Chief Clerk.

r-w

Dear Mr. Murphy:

This proposed resolution deals with proposals and seems to me to be right. The proposed position is not at present covered by the regulations.

Paragraph 3 deals also with [illegible] - [illegible] for [illegible] [illegible] produce no [illegible] statement, or produce from [illegible] [illegible]

The resolution, which has been submitted to the committee on finance and business [illegible], needs full approval, and is intended [illegible] too often followed by the bureaus in the [illegible] of [illegible] their own proposals and then putting the matter up to the board of [illegible] which have been very difficult to smooth over. The board can handle any [illegible] the bureaus desire to get out as long as the business [illegible]

Very truly yours,

OFFICE OF
THE SECRETARY OF AGRICULTURE

Mr Reese

Is not this the procedure required by the Regs? If so, shouldnt we refer to that fact, & give IV numbers?

In IV 3 should not some loophole be made for purchases made on other basis than competitive bids? This says all purchases.

J

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

~~January~~ 2/14/1922

MEMORANDUM NO._____

Proposals for Supplies to be ~~Dealt through~~ handled by Board of Awards

~~It appears that occasionally individual~~ In some cases employees of the Department in Washington, without consulting with the Department Board of Awards, have secured proposals direct for the furnishing of supplies, etc, and with no date of opening set. When the bids were referred to the Board of Awards for acceptance it was found that they were not secured on a uniform basis and in some cases the bureaus did not place the lowest bid before the Board for consideration. This has resulted in placing the Department in an embarrassing and unbusinesslike position in making awards on bids obtained in this manner and in endeavoring to explain why the low bids were not accepted.

The Department Board of Awards now has complete machinery in operation for the handling of proposals and ~~large~~ substantial savings are being effected by reason of the fact that the Board is in touch with a large number of dealers in commodities of all kinds, obtains much free advertising on contemplated purchases and, therefore, secures wide competition. It also makes certain that proposals obtained by it are secured on a uniform basis.

~~To obviate the difficulties complained of and to bring the work of obtaining bids under one head~~, all proposals for supplies, equipment and services for use of the Department in Washington hereafter must be sent out through the Department Board of Awards.

Proposals for purchases for the field service should, wherever practicable, be sent out by the Department Board.

In order to place the work on a more businesslike basis generally, and particularly to eliminate the practices above mentioned

Acceptances of all bids in amounts over $50 must be made through the Department Board, except ~~in the case of supplies and equipment for certain the field services of the Forest Service and the Bureau of Public Roads, which bureaus may accept proposals~~ as otherwise provided in the Fiscal Regulations.

Dept

IP

Secretary.

Every effort will be made to expedite the handling of business under this plan and ~~the Cooperation of~~ bureau purchasing and administrative offices will be ~~necessary to secure the best results~~ cooperate fully with the Dept Board of Awards in order that this may be done.

UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Washington

February 10, 1922.

MEMORANDUM NO. 371

PERSONNEL OF CROP REPORTING BOARD. (use caps and for first letters except "of" which should be l.c.)

The Crop Reporting Board of the Bureau of Markets and Crop Estimates shall hereafter be composed of the following members:

Leon M. Estabrook, Associate Chief of Bureau, Chairman.

Nat C. Murray, Chief Statistician, Acting Chairman in the absence of the Chairman.

S. A. Jones, Secretary of Board, and Acting Chairman in the absence of both Associate Chief of Bureau and Chief Statistician.

George K. Holmes, Statistical Scientist.

W. F. Callander, In Charge of Section of Research and Foreign Information.

One or more Agricultural Statisticians called in from the field.

Mr. Charles E. Gage, In Charge of Field Crop Reports, and Mr. Fred J. Blair, In Charge of Tabulating and Computing Section, will be present at the sessions of the Board to assist it as consulting members and to act as alternates in the absence of regular members.

Henry C. Wallace

SECRETARY.

Feb. 10, 1922.

Mr. Jump:

This memorandum showing changes in the personnel of the Crop Reporting Board was prepared in response to your request of January 20. It appears to be in proper form and substance and should be issued as a numbered memorandum of the Secretary's office.

F.H.B.

W. Pheasant

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF MARKETS AND CROP ESTIMATES
WASHINGTON

February 4, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

Herewith is a draft of a memorandum to be issued over your signature designating the personnel of the Crop Reporting Board, based on my memorandum of January 7, with the following changes:

The name of Frank Andrews is omitted because he has been assigned to field work and may not return for several months. Mr. Callander has been substituted for Mr. Andrews.

Messrs. Blair and Gage are designated consulting and alternating members to sit with the Board and supply such information as may be called for with respect to returns from crop reporters and field statisticians, but will not vote unless a regular member of the Board is absent. This recommendation is made to prevent the Board from becoming too large and unwieldly, our experience having shown that the efficiency of the Board is practically in inverse ratio to the number of members voting.

Every member of the Crop Reporting Board, all employees who have anything to do with the preparation of the crop reports (the entire force of the old Bureau of Crop Estimates), and all new employees are once a year required to read and sign two copies of Sections 123 and 124 of the Act of March 4, 1909, prescribing penalties for giving out advance information, etc. This has been the routine practice for many years and it hardly seems necessary to include it as a requirement in the official memorandum.

Respectfully,

Leon M. Estabrook

Associate Chief of Bureau.

Enclosure.

OFFICE OF
THE SECRETARY OF AGRICULTURE

1/16

Mr Bradley
Please

1/19

Mr. Jump:

Have added a paragraph which you may want to change. The only new member of Bd. is Hodge, who will have to subscribe to the regulations, as also any new statistical clerks provided.

Solicitor mentions a decy memo. regarding proposed change. Shall we ask Mr. Eckstrom to draft and submit such memo? If so, we can add a ¶ to memo. to Mr. Eckstrom.

EHB.

This stamp is used on all outgoing letters as a routine practice, where letters mention firms of dealers.

These addresses are furnished merely as information, with the understanding that they do not form a complete list, and that the department does not undertake to guarantee or recommend any particular concern.

This of course would not show on carbons.

HEC

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

F

January 20, 1922.

Mr. L. M. Estabrook,
Associate Chief,
Bureau of Markets and Crop Estimates.

Dear Mr. Estabrook:

Referring to your memorandum of January 7, the Secretary has approved the recommendations contained therein regarding changes in the Crop Reporting Board.

In accordance with Regulation 5 of "Crop Report Regulations" issued by the Secretary of Agriculture on January 3, 1921, it is understood that each member of the Board and every additional employee who assists the Board will be served with a copy of these regulations, or amendments thereto, together with a copy of Sections 123 and 124 of the act of March 4, 1909 (35 Stat. 1110), and a receipt taken therefor in each case.

Will you kindly have drafted and submitted to this office a memorandum covering these proposed changes which can be issued as a Memorandum of the Secretary's Office?

Very truly yours,

W. A. Jump

Administrative Assistant.

Follow Up

W. A. Jump

January 19, 1922.

Mr. L. M. Estabrook,
Associate Chief,
Bureau of Markets and Crop Estimates.

Dear Mr. Estabrook:

Referring to your memorandum of January 7, the Secretary has approved the recommendations contained therein regarding changes in the Crop Reporting Board.

In accordance with Regulation 5 of "Crop Report Regulations" issued by the Secretary of Agriculture on January 3, 1921, it is understood that each member of the Board and every additional employee who assists the Board will be served with a copy of these regulations, or amendments thereto, together with a copy of Sections 123 and 124 of the act of March 4, 1909 (35 Stat. 1110), and a receipt taken therefor in each case.

Very truly yours,

Administrative Assistant.

If will you kindly have drafted and submitted to this Office a memorandum covering these proposed changes which can be issued as a Memorandum of the Secretary's Office.

G

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

January 19, 1922.

Mr. L. M. Estabrook,
Associate Chief,
Bureau of Markets and Crop Estimates.

Dear Mr. Estabrook:

Referring to your memorandum of January 7, the Secretary has approved the recommendations contained therein regarding changes in the Crop Reporting Board.

Very truly yours,

Administrative Assistant.

and every additional employee who assists the Board

In accordance with Regulation 5 of "Crop Report Regulations" issued by the Secretary of Agriculture on Jan. 3, 1921, it is understood that each member of the Board will be served with a copy of these regulations, or amendments thereto, together with a copy of sections 123 and 124 of the act of March 4, 1909 (35 Stat. 1110), and a receipt taken therefor,

G

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

January 16, 1922.

Mr. L. M. Estabrook,
Associate Chief,
Bureau of Markets and Crop Estimates.

Dear Mr. Estabrook:

Referring to your memorandum of January 7, the Secretary has approved the recommendations contained therein regarding changes in the Crop Reporting Board.

Very truly yours,

Administrative Assistant.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SOLICITOR
WASHINGTON

January 18,1922.

Mr. Bain:

Sec. 123, proviso, "No person shall be deemed guilty of a violation of any such rule unless prior to such alleged notations he shall have had actual knowledge thereof".

Members of the Board are therefore served with copy of Secretary's Regulations and copy of Secs. 123 and 124 which they certify as having received - This under "Crop Report Regulation" January 3, 1921.

Section 123. Whoever, being an officer or employee of the United States or a person acting for or on behalf of the United States in any capacity under or by virtue of the authority of any department or office thereof, and while holding such office, employment, or position shall, by virtue of the office, employment, or position held by him become possessed of any information which might exert an influence upon or affect the market value of any product of the soil grown within the United States, which information is by law or by the rules of the department or office required to be withheld from publication until a fixed time, and shall willfully impart, directly or indirectly, such information, or any part thereof, to any person not entitled under the law or the rules of the department or office to receive the same; or shall, before such information is made public through regular official channels, directly or indirectly speculate in any such product respecting which he has thus become possessed of such information, by buying or selling the same in any quantity, shall be fined not more than ten thousand dollars, or imprisoned not more than ten years, or both: Provided, that no person shall be deemed guilty of a violation of any such rule, unless prior to such alleged violation he shall have had actual knowledge thereof.

Section 124. Whoever, being an officer or employee of the United States and whose duties require the compilation of report of statistics or information relative to the products of the soil, shall knowingly compile for issuance, or issue, any false statistics or information as a report of the United States, shall be fined not more than five thousand dollars, or imprisoned not more than five years, or both.

Act March 4, 1909 (Penal Code)
(35 Stat 1110)

Section 123. Whoever, being an officer or employee of the United States or a person acting for or on behalf of the United States in any capacity under or by virtue of the authority of any department or office thereof, and while holding such office, employment, or position shall, by virtue of the office, employment, or position held by him become possessed of any information which might exert an influence upon or affect the market value of any product of the soil grown within the United States, which information is by law or by the rules of the department or office required to be withheld from publication until a fixed time, and shall willfully impart, directly or indirectly, such information, or any part thereof, to any person not entitled under the law or the rules of the department or office to receive the same; or shall, before such information is made public through regular official channels, directly or indirectly speculate in any such product respecting which he has thus become possessed of such information, by buying or selling the same in any quantity, shall be fined not more than ten thousand dollars, or imprisoned not more than ten years, or both: Provided, that no person shall be deemed guilty of a violation of any such rule, unless prior to such alleged violation he shall have had actual knowledge thereof.

Section 124. Whoever, being an officer or employee of the United States and whose duties require the compilation of report of statistics or information relative to the products of the soil, shall knowingly compile for issuance, or issue, any false statistics or information as a report of the United States, shall be fined not more than five thousand dollars, or imprisoned not more than five years, or both.

Section 183. Whoever, being an officer or employee of the United States or a person acting for or on behalf of the United States in any capacity under or by virtue of the authority of any department or office thereof, and while holding such office, employment, or position shall, by virtue of the office, employment, or position held by him become possessed of any information which might cause an influence upon or affect the market value of any product of the soil grown within the United States, which information is by law or by the rules of the department or office required to be withheld from publication until a fixed time, and shall willfully impart, directly or indirectly, such information, or any part thereof, to any person not entitled under the law or the rules of the department or office to receive the same; or shall, before such information is made public through regular official channels, directly or indirectly speculate in any such product respecting which he has thus become possessed of such information, by buying or selling the same in any quantity, shall be fined not more than ten thousand dollars, or imprisoned not more than ten years, or both: Provided, that no person shall be deemed guilty of a violation of any such rule, unless prior to such alleged violation he shall have had actual knowledge thereof.

Section 184. Whoever, being an officer or employee of the United States and whose duties require the compilation or report of statistics or information relative to the products of the soil, shall knowingly compile for issuance, or issue, any false statistics or information as a report of the United States, shall be fined not more than five thousand dollars, or imprisoned not more than five years, or both.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SOLICITOR
WASHINGTON

Jan. 13, 1922.

Solicitor:

This is largely, if not solely, administrative.

The only change in the personnel of the board is the addition of one member - Chas. E. Gage - and the designation of a present member - Dr. S. A. Jones - as secretary of the board. Mr. Jump's attention should be invited to the provisions of Secs. 123 and 124 of the Penal Code in the matter of members of the board certifying as to their knowledge of the law, etc.

I think the Secretary should issue a memorandum or order giving notice of the change. I can find no precedent for this, however, except in the case of memorandum of February 16, 1916, Memorandum No. 157, relative to the preparation of the Report and the personnel of the board.

GPM

r, being an officer or employee of the
cting for or on behalf of the United States
virtue of the authority of any department
holding such office, employment, or posi-
e office, employment, orposition held by
information which might exert an influence
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not more than ten years, or both: Provided,
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the United States, shall be fined not more
or imprisoned not more than five years, or

Jan. 3, 1921.

UNITED STATES DEPARTMENT OF AGRICULTURE.

OFFICE OF THE SECRETARY.

CROP REPORT REGULATIONS.

REGULATIONS GOVERNING THE PUBLICATION OF REPORTS AND THE INFORMATION UTILIZED IN THE COMPILATION OF REPORTS, PREPARED BY THE BUREAU OF CROP ESTIMATES, CONCERNING THE ACREAGES, CONDITIONS, YIELDS, FARM RESERVES, OR QUALITY OF PRODUCTS OF THE SOIL GROWN WITHIN THE UNITED STATES.

These regulations shall be effective on and after January 1, 1921.

Regulation 1.—During the year 1921 the Bureau of Crop Estimates shall publish on dates hereinafter specified, unless other dates within the particular months be prescribed by amendment to these regulations, and in the manner hereinafter specified, reports concerning the acreages, conditions, yields, farm reserves, or quality of products of the soil grown within the United States, as follows:

1. On Tuesday, March 8, 1921, 2.15 p. m., reports concerning corn, wheat, oats, and barley.

2. On Thursday, April 7, 1921, 11 a. m., reports concerning winter wheat and rye.

3. On Monday, May 9, 1921, 2.15 p. m., reports concerning winter wheat rye, hay, pasture, plowing, and planting.

4. On Thursday, June 2, 1921, 11 a. m., reports concerning cotton.

5. On Wednesday, June 8, 1921, 2.15 p. m., reports concerning winter wheat, spring wheat, oats, barley, rye, apples, peaches, hay, and pasture.

6. On Friday, July 1, 1921, 12.30 p. m., reports concerning cotton.

7. On Friday, July 8, 1921, 2.15 p. m., reports concerning corn, wheat on farms, winter wheat, spring wheat, oats, barley, rye, potatoes, sweet potatoes, tobacco, flax, rice, apples, peaches, sugar beets, and hay.

8. On Monday, August 1, 1921, 11 a. m., reports concerning cotton.

9. On Tuesday, August 9, 1921, 2.15 p. m., reports concerning corn, winter wheat, spring wheat, oats, barley, rye, buckwheat, potatoes, sweet potatoes, tobacco, flax, rice, apples, peaches, sugar beets, and hay.

10. On Thursday, September 1, 1921, 11 a. m., reports concerning cotton.

11. On Thursday, September 8, 1921, 2.15 p. m., reports concerning corn, spring wheat, oats, barley, buckwheat, potatoes, sweet potatoes, tobacco, flax, rice, apples, peaches, sugar beets, kafirs, and hay.

12. On Monday, October 3, 1921, 11 a. m., reports concerning cotton.

13. On Saturday, October 8, 1921, 2.15 p. m., reports concerning corn, spring wheat, oats, barley, buckwheat, potatoes, sweet potatoes, tobacco, flax, rice, apples, pears, kafirs, beans, and sugar beets.

14. On Wednesday, November 9, 1921, 2.15 p. m., reports concerning corn, buckwheat, potatoes, sweet potatoes, tobacco, flaxseed, apples, pears, cranberries, kafirs, peanuts, clover seed, sorghum sirup, onions, cabbage, and sugar beets.

15. On Monday, December 12, 1921, 2 p. m., reports concerning cotton.

16. On Thursday, December 15, 1921, 4 p. m., reports concerning corn, winter wheat, spring wheat, oats, barley, rye, buckwheat, flaxseed, rice, po-

tatoes, sweet potatoes, hay, clover seed, tobacco, apples, peaches, pears, oranges, cranberries, sorghum, sugar beets, beans, kafirs, broom corn, onions, cabbage, peanuts, cowpeas, soy beans, and hops.

17. On Saturday, December 17, 1921, 12.30 p. m., reports concerning winter wheat and rye.

Each of the reports hereinabove specified shall be published in the following manner:

On the day fixed for publication of each report the report or a synopsis thereof shall be made available at the office of the Secretary of Agriculture simultaneously to all persons there applying for the same.

During the year 1921 the Bureau of Crop Estimates shall also publish, on each date or on the day following each date hereinafter specified, reports concerning acreages, conditions, yields, farm reserves, or quality of products of the soil grown within the United States, as follows:

18. On Tuesday, March 8, 1921, reports concerning potatoes, meadows (hay), pasture, pineapple plants, orange trees, lemon trees, lime trees, grapefruit trees, cabbage, tomatoes, celery, and cauliflower.

19. On Thursday, April 7, 1921, reports concerning potatoes, pasture, peaches, pears, pineapples, orange trees, lemon trees, lime trees, grapefruit trees, cabbage, tomatoes, celery, and cauliflower.

20. On Monday, May 9, 1921, reports concerning potatoes, field peas, field beans, cabbage, tomatoes, cauliflower, peaches, pears, watermelons, canteloupes and muskmelons, pineapples, oranges, lemons, limes, grapefruit, apricots, almonds, and cherries.

21. On Wednesday, June 8, 1921, reports concerning clover for hay, alfalfa, field peas, potatoes, tomatoes, cabbage, onions, field beans, lima beans, pears, blackberries and raspberries, watermelons, cantaloupes and muskmelons, pineapples, oranges, limes, lemons, grapefruit, apricots, plums, cherries, almonds, prunes, olives, walnuts, and sugar beets.

22. On Friday, July 8, 1921, reports concerning timothy, clover for hay, alfalfa, millet, pasture, kafirs, field peas, tomatoes, cabbage, onions, field beans, lima beans, pears, grapes, blackberries and raspberries, watermelons, cantaloupes and muskmelons, oranges, lemons, cherries, figs, plums, pineapples, limes, grapefruit, apricots, almonds, prunes, olives, walnuts, broom corn, sorghum (for sirup), hops, and peanuts.

23. On Tuesday, August 9, 1921, reports concerning timothy, clover for hay, alfalfa, millet, pasture, kafirs, field peas, tomatoes, cabbage, onions, field beans, lima beans, grapes, pears, blackberries and raspberries, wa ermelons, cantaloupes and muskmelons, oranges, lemons, pineapples, limes, grapefruit, figs, plums, apricots, almonds, prunes, olives, walnuts, broom corn, sorghum, hops, and peanuts.

24. On Thursday, September 8, 1921, reports concerning timothy, clover for seed, alfalfa, millet, pasture, kafirs, field peas, tomatoes, cabbage, onions, field beans, lima beans, grapes, pears, watermelons, cantaloupes and muskmelons, cranberries, oranges, lemons, limes, grapefruit, apricots, figs, plums, almonds, prunes, olives, walnuts, broom corn, sorghum, hops, and peanuts.

25. On Saturday, October 8, 1921, reports concerning clover seed, alfalfa seed, pasture, kafirs, field peas, tomatoes, cabbage, onions, field beans, lima beans, grapes, cranberries, oranges, lemons, limes, grapefruit, figs, almonds, prunes, olives, walnuts, broom corn, sorghum, hops, and peanuts.

26. On Wednesday, November 9, 1921, reports concerning clover seed, field peas, grapes, cranberries, oranges, lemons, figs, limes, grapefruit, almonds, olives, walnuts, sorghum, and peanuts.

27. On Thursday, December 15, 1921, reports concerning lemons, limes, grapefruit, grapes, and olives.

Each of the reports hereinabove specified, or so much thereof as is practicable, shall be printed in a monthly publication entitled "Monthly Crop Reporter."

Regulation 2.—The contents and every part of the contents of each and every report specified in regulation 1, and the information and every part of the information utilized in the preparation of each and every such report, shall be withheld from publication until the time specified for the publication of the report by regulation 1 or such amendments thereto as may be made from time to time.

Regulation 3.—The Secretary of Agriculture, the Assistant Secretary of Agriculture, such person as may be designated for the time being as Acting Secretary of Agriculture, the Chief of the Bureau of Crop Estimates, the Assistant Chief of the Bureau of Crop Estimates, members of the Crop Reporting Board, and employees actually engaged at the time in aiding the ~~Cup~~ Crop Reporting Board in the preparation of the particular report or reports, shall be entitled to receive, in advance of the publication of each of the reports specified in regulation 1, information concerning the contents thereof, but no officer or employee of the Department of Agriculture, or person acting in any capacity under or by virtue of the authority of the Department of Agriculture who, by virtue of the office, employment, or position held by him, shall become possessed of any information concerning the acreages, conditions, yields, farm reserves, or quality, or any other information which might exert an influence upon or affect the market value of any products of the soil dealt with by the Bureau of Crop Estimates and specified in regulation 1, shall willfully impart such information, or any part thereof, directly or indirectly, before the official release of such information to the public, to any other officer or employee of the Department of Agriculture, or person acting in any capacity under or by virtue of the authority of the Department of Agriculture, excepting the officers and employees of the Department of Agriculture hereinbefore named as entitled to receive such information in advance, or to *any other person whomsoever.*

Regulation 4.—These regulations may be amended at any time by order of the Secretary of Agriculture.

Regulation 5.—The Chief of the Bureau of Crop Estimates shall deliver a copy of these regulations, copies of such amendments thereto as may be made from time to time, and copies of sections 123 and 124 of the act of March 4, 1909 (35 Stat., 1110), to every officer or employee of the Department of Agriculture, or person acting in any capacity under or by virtue of the authority of the Department of Agriculture, who, by virtue of the office, employment, or position held by him, may become possessed of any information concerning the acreages, conditions, yields, farm reserves, or quality or any other information which might exert an influence upon or affect the market value of any products of the soil dealt with by the Bureau of Crop Estimates and specified in regulation 1, and take his receipt therefor. Every such copy shall contain an accurate description of these regulations, of sections 123 and 124 of the act of March 4, 1909 (35 Stat., 1110), or of amendments to those regulations, as the case may be, and shall be recorded and filed in the office of the Chief of the Bureau of Crop Estimates.

E. T. Meredith

Secretary of Agriculture.

EXTRACT FROM THE PENAL LAWS OF THE UNITED STATES, APPROVED MARCH 4, 1909.

"SECTION 123. Whoever, being an officer or employee of the United States or a person acting for or on behalf of the United States, in any capacity under or by virtue of the authority of any department or office thereof, and while holding such office, employment, or position shall, by virtue of the office, employment, or position held by him, become possessed of any information which might exert an influence upon or affect the market value of any product of the soil grown within the United States, which information is by law or by the rules of the department or office required to be withheld from publication until a fixed time, and shall wilfully impart, directly or indirectly, such information, or any part thereof, to any person not entitled under the law or the rules of the department or office to receive the same; or shall, before such information is made public through regular official channels, directly or indirectly speculate in any such product respecting which he has thus become possessed of such information, by buying or selling the same in any quantity, shall be fined not more than $10,000, or imprisoned not more than 10 years, or both: *Provided*, That no person shall be deemed guilty of a violation of any such rule unless prior to such alleged violation he shall have had actual knowledge thereof.

"SECTION 124. Whoever, being an officer or employee of the United States and whose duties require the compilation or report of statistics or information relative to the soil, shall knowingly compile for issuance, or issue, any false statistics or information as a report of the United States shall be fined not more than $5,000 or imprisoned not more than five years or both."

I certify that I have this_____day of_____, 1921, received two copies of the foregoing "Regulations of the Department of Agriculture Governing the Publication of Reports and the Information Utilized in the Compilation of Reports, Prepared by the Bureau of Crop Estimates, Concerning the Acreages, Conditions, Yields, Farm Reserves, or Quality of Products of the Soil Grown within the United States," and the above-quoted sections 123 and 124 of the act of March 4, 1909 (35 Stat., 1110). I have read and retained a copy of said regulations and law, and this copy I return signed by me as acknowledgment of receipt.

WASHINGTON : GOVERNMENT PRINTING OFFICE : 1921

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF MARKETS AND CROP ESTIMATES
WASHINGTON

January 7, 1922.

MEMORANDUM FOR THE SECRETARY

RE CROP REPORTING BOARD.

Dear Mr. Secretary:

On January 5 I called together Messrs. Murray, Callander, Jones, Gage, Blair and Jamieson to consider so much of the Division of Agricultural Prices and Statistics of the Bureau of Markets and Crop Estimates as relates to the preparation and issuance of the monthly crop reports. As a result of this conference the following changes are recommended in the Crop Reporting Board:

(1) Designate Nat C. Murray, Chief Statistician, as Acting Chairman in the absence of the Chairman (Associate Chief of Bureau).

(2) Designate S. A. Jones, Statistician, as Secretary of the Board and as Acting Chairman in the absence of both the Chairman and Mr. Murray.

(3) Designate Chas. E. Gage, Officer in Charge of Field Crop Reports, as a member of the Board.

The Crop Reporting Board will then stand as follows:

(1) Leon M. Estabrook, Associate Chief of Bureau, Chairman.

(2) Nat C. Murray, Chief Statistician, Acting Chairman in the absence of the Chairman.

(3) S. A. Jones, Statistician, Secretary and Acting Chairman in the event of absence of both Chairman and Mr. Murray.

(4) Geo. K. Holmes, Statistical Scientist.

(5) Frank Andrews, Statistical Scientist in Charge of Statistical Research and Foreign Information Section.

(6) Chas. E. Gage, Officer in Charge of Field Crop Reports.

(7) Fred J. Blair, Truck Crop Specialist and Statistical Scientist in Charge of Tabulating and Computing Section.

(8) One or more field statisticians called in on special reports.

As Secretary of the Crop Reporting Board it is proposed that Doctor Jones, formerly in charge of the field service, will have the following duties:

(a) To be in charge of the Crop Reporting Board records and force engaged in keeping them up.

(b) To prepare in December of each year for approval of the Secretary a schedule of dates on which crop reports shall be issued during the following year.

(c) Monthly to prepare notices a day or more in advance to the office of the Secretary, the office of the Chief Clerk of the Department, and the office of the Chief of Bureau, advising as to nature, date and hour of release of a forthcoming crop report; also to notify each member of the Crop Reporting Board a day or more in advance of the hour and minute when they should assemble and time of release.

(d) To make necessary arrangements for attendance of clerks, computers, multigraph operators, etc., while the Board is in session.

(e) To familiarize himself with the Crop Reporting Board records and make analytical statistical studies of them.

(f) To prepare correspondence and statements regarding the action of the Crop Reporting Board for review by the Chief Statistician and signature of the Associate Chief or Chief of Bureau.

(g) To serve as Acting Chairman of the Crop Reporting Board in the absence of both the Associate Chief and the Chief Statistician.

(h) To act in an advisory capacity with respect to field crop reporting, and with respect to the work of the Tabulating and Crop Reporting Section in so far as their work relates to the function of the Crop Reporting Board.

(i) To serve as Acting Officer in Charge of Field Crop Reports in the absence of Mr. Gage.

(j) To study the written comments of field statisticians in connection with their monthly report so that when the Board is in session these comments will aid in the interpretation of the field returns.

The designation of Mr. Gage as a member of the Crop Reporting Board seems desirable because of his intimate contact with the field statisticians and field conditions and as an aid in interpreting their reports. In connection with Board meetings he will be expected to familiarize himself with the reports of field statisticians showing changes in crop conditions occurring between the regular monthly crop report dates.

Mr. Blair will be expected to thoroughly familiarize himself with the monthly returns from voluntary crop reporters and be prepared to advise the Board as to relative number of reports, whether they are more or less consistent, normal or abnormal, etc.

Mr. Holmes will be expected to compile and have available all published estimates of private crop reporting agencies for use as a check on the findings of the Board.

The records of the Crop Reporting Board, that is, the tabulations showing the acreage, condition, yields per acre, total production, prices and value of live stock, figures adopted by the Board for each of the forty-eight States and for the United States, and the five or ten-year averages for each of the items, monthly and annually, are voluminous, very valuable, and necessarily require extreme care and exactness in their preparation. They are used as a basis for practically every crop report that is issued and for a considerable volume of correspondence prepared in the Bureau. The committee is of the opinion that the present small force is inadequate and that at least two additional statistical clerks should be provided to assist the Secretary of the Crop Reporting Board.

It is believed that the foregoing changes are necessary, that they will strengthen the Crop Reporting Board, and that they will relieve Mr. Murray of a portion of the burden of detail work he has carried in the past, and I therefore recommend that they be approved.

Very truly yours,

Leon M. Estabrook

Associate Chief of Bureau.

Loew

(COPY)

April 23, 1907.

Sir:

As Associate Statistician, you are authorized and directed to perform the duties of Acting Statistician and Acting Chief of the Bureau of Statistics during the continuance of the leave of absence of Mr. Victor H.Olmsted, Statistician and Chief of the Bureau of Statistics, by reason of his temporary detail to superintend the taking of a census of Cuba, and, subsequently, while he may be absent from the office.

In such capacity you are directed to assume all the authority, functions, and duties pertaining to the office of Statistician and Chief of Bureau, and necessary in administering the affairs of the Bureau of Statistics.

In connection therewith you shall serve as Chairman of the Crop Reporting Board, which Board is hereby authorized and continued. It shall be composed each time of four members, in addition to yourself, whose services shall be brought into requisition each crop-reporting day, by selection from the statisticians and officials of the Bureau, and the State Statistical Agents and Special Field Agents, who may be ordered to Washington for such purpose.

In the event of the absence from the Bureau of both the Statistician and the Associate Statistician, the Assistant Statistician shall serve as Acting Statistician and Acting Chief of Bureau.

Respectfully,

(Sgnd) JAMES WILSON

Secretary.

Mr. C. C. Clark,
Associate Statistician,
Bureau of Statistics,
Department of Agriculture.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

February 25, 1932

MEMORANDUM NO. 372.

Lists of Manufacturers and Dealers Furnished to Correspondents.

Frequently requests are received by the Department for lists of manufacturers, dealers, breeders, etc., in various lines. In giving out such lists the Department's position should be clearly explained, in order that no misunderstanding may arise through correspondents assuming that the inclusion of names on lists furnished implies the Department's endorsement of certain firms to the possible detriment of others, or that the lists necessarily include all dealers in a certain line. Forms covering this matter in use in two of the branches of the Department are attached for the information of people handling such correspondence.

Henry A. Wallace

Secretary.

"In response to the request * * * , I am enclosing herewith a list which has been compiled in the Department giving the names of American manufacturers of * * *. The Department can not undertake to give a complete register of the manufacturers of such equipment, and no discrimination is intended if the name of any firm has been omitted; nor is the Department in position to guarantee the reliability of any of these firms. Such lists are maintained merely for the information of members of our own staff who may be called upon to perform work in connection with these industries, and while, of course, the Department is very glad to make the information available to others, it is necessary that these facts be clearly understood."

* * * *

"The following list of dealers in * * * is prepared merely for the information of correspondents, and the inclusion of names in it implies no endorsement as to quality and prices. Names of dealers will be added to this list upon notification to the Bureau that they are prepared to deliver the items concerned."

U. S. DEPARTMENT OF AGRICULTURE.
BUREAU OF MARKETS
WASHINGTON, D. C.

2-28-22.

Mr. Grunt:

Of course, our Bureau always has used a similar paragraph. I think that the longer of the two attached paragraphs presents all the essential points very clearly.

WHB

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

~~December 28, 1921.~~

Secretary's Office

CIRCULAR NO.

Lists of Manufacturers and Dealers Furnished to Correspondents.

Frequently requests are received by the Department for lists of manufacturers of or dealers in various lines of equipment, apparatus, and the like. In order, ~~therefore,~~ that no misunderstanding will arise through correspondents' assuming that the inclusion of names on lists furnished implies the Department's endorsement as to quality and prices, or that the lists necessarily include all dealers in a certain line, ~~the Secretary feels~~ it is desirable ~~that~~ in giving out such lists ~~of manufacturers or dealers~~ that the Department's position ~~should~~ be clearly explained. For instance, the following form of reply used by one bureau in furnishing lists seems to meet the situation:

> "In response to the request contained in your letter of October 14, I am enclosing herewith a list which has been compiled in the Department giving the names of American manufacturers of machinery and equipment for commercial dehydration plants. In furnishing lists of this character the Department desires to make it clear that it is not undertaking to furnish a complete ~~list~~ of such manufacturers and that no discrimination is intended if ~~any~~ manufacturer has been omitted, nor is ~~it~~ the Department in position to guarantee the reliability of any of these firms. Such lists are ~~built up here~~ compiled merely for the information of ~~our people~~ those who may be called upon to perform work in connection with these industries, and while, of course, the Department is very glad to make the information available to others, it might cause some embarrassment if ~~the above~~ these facts were not clearly understood. ~~I trust this information will be of value to you and, if any further service can be given, please do not hesitate to call upon us."~~

Please prepare - 2 carbons - no date

Register these facts

the name of any firm on our own lists

Another bureau ~~has at the head of a list~~ uses the following language:

"The following list of dealers in game and ornamental birds is prepared merely for the information of correspondents, and the inclusion of names in it implies no endorsement as to quality and prices. Names of dealers will be added to ~~any part of the~~ this list upon notification to the Bureau that they are prepared to deliver the items concerned."

~~The Secretary feels that~~ Language somewhat similar to the ~~above~~ foregoing should be followed in all letters accompanying lists of dealers, manufacturers, etc., which are furnished to correspondents.

~~Administrative Assistant.~~

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

March 13, 1922.

MEMORANDUM No. 373

Amendment to the Fiscal Regulations.

Paragraph 53 of the Fiscal Regulations is hereby amended to read as follows:

53. REIMBURSEMENT ACCOUNTS MUST BE SWORN TO.- Reimbursement accounts, consisting in whole or in part of items of expenses actually incurred, must be sworn to when practicable, but charges for fees paid for administering oaths will not be reimbursed. Accounts consisting entirely of claims for per diem allowance in lieu of subsistence or resubmitted items need not be sworn to. If impossible to swear to accounts by reason of remoteness from officials authorized to administer oaths, or other causes, a certificate on honor, clearly setting forth the circumstances in the case, must be attached to the account in lieu of the omitted oath.

Henry C. Wallace

Secretary.

wad

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

March 2, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

Paragraph 53 of the Fiscal Regulations of the Department requires that all reimbursement accounts shall be sworn to, except those consisting entirely of resubmitted items. It has recently come to the attention of the Advisory Committee on Finance and Business Methods that the General Accounting Office does not require a reimbursement account consisting entirely of a claim for per diem allowance in lieu of subsistence to be sworn to, and the Committee feels that employees of the Department should not be put to the trouble of swearing to accounts of this character when it is not required by the General Accounting Office. It is the opinion of the Committee that paragraph 53 of the Fiscal Regulations should be amended in this respect, and to this end has prepared the attached draft of memorandum for your consideration and recommends that same be approved by you for distribution.

Very respectfully,

A Gappone

Chairman, Advisory Committee on Finance
and Business Methods.

Enclosure.

53. REIMBURSEMENT ACCOUNTS MUST BE SWORN TO.- (Accounts for reimbursement) Reimbursement accounts, consisting in whole or in part of items of expenses actually incurred, must be sworn to when practicable, but charges for fees paid for administering oaths will not be reimbursed. Accounts consisting entirely of claims for per diem allowance in lieu of subsistence or re-submitted items need not be sworn to. If impossible to swear to (such) accounts by reason of remoteness from officials authorized to administer oaths, or other causes, a certificate on honor, clearly setting forth the circumstances in the case, must be attached to the account in lieu of the omitted oath. (Accounts consisting entirely of resubmitted items need not be sworn to.)

Omitted matter in brackets.

New matter underscored.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

March 13, 1922.

MEMORANDUM No. 374

Amendment to the Fiscal Regulations.

Paragraphs 24 and 72 of the Fiscal Regulations of the Department are hereby amended to read as follows:

24. LEGAL HOLIDAY PAY OF PER DIEM EMPLOYEES.- Per diem employees within the United States holding permanent appointments will receive pay for legal holidays (the first day of January, the twenty-second day of February, the thirtieth day of May, the fourth day of July, the first Monday in September, the twenty-fifth day of December, such days as may be designated by the President as days for National thanksgiving, and days declared legal holidays by acts of Congress if such acts provide for pay to per diem employees) if in pay status on the business days preceding and following such legal holidays, i. e., on duty or on leave of absence with pay. Temporary per diem employees and those whose appointments read "for days actually employed" must actually perform service on the business days preceding and following such holidays in order to be entitled to pay therefor: Provided, That when any of the legal holidays herein mentioned falls on Sunday the day observed as such shall be considered the legal holiday.

72. ACCEPTANCE OF BIDS; CONTRACT AND BOND.- No bid shall be accepted unless the price is reasonable. All bids and proposals shall be subject to these regulations. The contract of purchase will be complete and binding upon acceptance by the department of the bid or proposal and giving notice to the bidder. The Forester, or a district forester when previously authorized in writing by the Forester, and the Chief of the Bureau of Public Roads, or a district engineer of that bureau when previously authorized in writing by the Chief of Bureau, may accept bids or proposals when the amount involved is $1,000 or less. The Forester or Chief of Bureau, and a district forester of the Forest Service or a district engineer of the Bureau of Public Roads, when authorized as aforesaid, may, when the amount involved is less than $2,500, accept bids or proposals for road construction

station work, or for supplies, materials, and equipment required exclusively for fire suppression, and the construction or maintenance of roads or trails, giving notice to the successful bidder of all acceptances. A formal contract and bond must be required for all construction work for which bids are accepted. In other cases the officer accepting the bid may, in his discretion, require such contract and bond, utilizing the services of the most available law officer of the department in connection therewith. An official in charge of an experiment station in Alaska, Hawaii, Porto Rico, the Virgin Islands, or the Island of Guam, when previously authorized in writing by the Secretary, may accept bids or proposals up to amounts fixed in such authorization, and shall give notice to the successful bidder of the acceptance thereof.

In all cases other than those covered by the preceding paragraph acceptances and notices thereof will be by the Secretary.

In all cases in which the amount involved in the purchase is $1,000 or more, except in the case of purchase of supplies, materials, and equipment required exclusively for the maintenance of roads and trails, or fire suppression, where the amount of the purchase does not exceed $2,500, the successful bidder will be required to execute a written contract supported by an appropriate bond. This requirement may be waived, however, by the Secretary, when the articles to be purchased are of regular standard make or manufacture and in connection with the purchase of seeds for congressional distribution when immediate delivery is required.

When less than $50 is involved and answers to inquiries, made in compliance with the Fiscal Regulations, result in quotations of reasonable prices, the lowest price quoted may be used informally by the chief of the bureau concerned as the basis of purchases in the open market.

Unless otherwise stated in the specification, or advertisement for bids or proposals, or in the contract of purchase, the department shall be bound only for the particular supplies in the quantities specified therein, and shall not be bound for supplies which may be purchased at any other time during that fiscal year.

Henry C. Wallace

Secretary.

[illegible] work, or for supplies, materials, and equipment required by the Park Superintendent, who the construction or material men of money or trucks, giving notice to the successful bidder of all acceptances. A formal contract may then need be required for all construction work for which bids are accepted. In other cases the officer accepting the bid may, in his discretion, require such contract and bond, utilizing the services of the nearest available U. S. officer of the Department in connection therewith. An official in charge of an expenditure station in Alaska, Hawaii, Porto Rico, the Virgin Islands, or the Island of Guam, when previously authorized in writing by the Secretary, may accept bids or proposals up to amounts fixed in such authorization, and shall give notice to the successful bidder of the acceptance [illegible].

In all cases other than those covered by the preceding paragraph acceptances and notices thereof will be by the Secretary.

In all cases in which the amount involved in the purchase is $5,000 or more, except in the case of purchase of supplies, materials, and equipment required exclusively for the maintenance of the purchase not exceed $5,000, the successful bidder will be required to execute a written contract supported by an appropriate bond. This requirement may be waived, however, by the Secretary, when the articles to be purchased are of regular stock or manufacture or in connection with the purchase of seeds for commercial distribution when immediate delivery is required.

When less than $100 is involved and emergency to the [illegible] made in compliance with the Fiscal Regulations, result in reduction of reasonable prices, the lowest price quoted may be used informally by the chief of the bureau concerned as the [illegible]

[illegible] or proposals, or in the contract of purchase. [illegible] be issued only for the particular supplies [illegible] specified therein, and shall not be based [illegible] may be purchased at any other time during

For preparation

24. LEGAL HOLIDAY PAY OF PER DIEM EMPLOYEES.- Per diem employees within the United States holding permanent appointments will receive pay for legal holidays (the first day of January, the twenty-second day of February, the thirtieth day of May, the fourth day of July, the first Monday in September, the twenty-fifth day of December, such days as may be designated by the President as days for National thanksgiving, and days declared legal holidays by acts of Congress if such acts provide for pay to per diem employees) if in pay status on the business days preceding and following such legal holidays, i. e., on duty or on leave of absence with pay. Temporary per diem employees and those whose appointments read "for days actually employed" must actually perform service on the business days preceding and following such holidays in order to be entitled to pay therefor: Provided, That when any of the legal holidays herein mentioned falls on Sunday the day observed as such shall be considered the legal holiday.

New matter underscored.

For information

72. ACCEPTANCE OF BIDS; CONTRACT AND BOND.- No bid shall be accepted unless the price is reasonable. All bids and proposals shall be subject to these regulations. The contract of purchase will be complete and binding upon acceptance by the department of the bid or proposal and giving notice to the bidder. (The Chief of the Weather Bureau,) the Forester, or a district forester when previously authorized in writing by the Forester, and the Chief of the Bureau of Public Roads, or a district engineer of that bureau when previously authorized in writing by the Chief of Bureau, may accept bids or proposals when the amount involved is $1,000 or less. The Forester or Chief of Bureau, and a district forester of the Forest Service or a district engineer of the Bureau of Public Roads, when authorized as aforesaid, may, when the amount involved is less than $2,500, accept bids or proposals for road construction station work, or for supplies, materials, and equipment required exclusively for fire suppression, and the construction or maintenance of roads or trails, giving notice to the successful bidder of all acceptances. A formal contract and bond must be required for all construction work for which bids are accepted. In other cases the officer accepting the bid may, in his discretion, require such contract and bond, utilizing the services of the most available law officer of the department in connection therewith. An officer in charge of an experiment station in Alaska, Hawaii, Porto Rico, the Virgin Islands, or the Island of Guam, when previously authorized in writing by the Secretary, may accept bids or proposals up to amounts fixed in such authorization, and shall give notice to the successful bidder of the acceptance thereof.

In all cases other than those covered by the preceding paragraph acceptances and notices thereof will be by the Secretary.

In all cases in which the amount involved in the purchase is $1,000 or more, except in the case of purchase of supplies, materials, and equipment required exclusively for the maintenance of roads and trails, or fire suppression, where the amount of the purchase does not exceed $2,500, the successful bidder will be required to execute a written contract supported by an appropriate bond. This requirement may be waived, however, by the Secretary, when the articles to be purchased are of regular standard make or manufacture and in connection with the purchase of seeds for congressional distribution when immediate delivery is required.

When less than $50 is involved and answers to inquiries, made in compliance with the Fiscal Regulations, result in quotations of reasonable prices, the lowest price quoted may be used informally by the chief of the bureau concerned as the basis of purchases in the open market.

Unless otherwise stated in the specification, or advertisement for bids or proposals, or in the contract of purchase, the department shall be bound only for the particular supplies in the quantities specified therein, and shall not be bound for supplies which may be purchased at any other time during that fiscal year.

Omitted matter in brackets ( ).

[illegible] TIME OF BIDS; DOES NOT APPLY TO [illegible]. - No bid shall be [illegible] the price is reasonable. All bids or proposals shall [illegible] to bidders. The contract or purchase will be completed and opening upon acceptance by the superintendent of the bid or proposal and giving notice to the bidder. (The Chief of the Bureau, the Forester, or a district forester when previously authorized in writing by the Forester, and the Chief of the Bureau of Public Roads, or a district engineer of that bureau when previously authorized in writing by the Chief of Bureau, may accept bids or proposals when the amount involved is $1,000 or less. The Forester or Chief of Bureau, and a district forester of the Forest Service or a district engineer of the Bureau of Public Roads, when authorized so otherwise, may, when the amount [illegible] construction work, or for supplies, materials, and equipment required exclusively for fire suppression, and the construction or maintenance of roads or trails, giving notice to the successful bidder of all acceptances. A formal contract and bond must be required for all construction work for which bids are accepted. In other cases the officer accepting the bid may, in his discretion, require such contract and bond, utilizing the services of the most available law officer of the department in connection therewith. An officer in charge of an experiment station in Alaska, Hawaii, Puerto Rico, the Virgin Islands, or the Island of Guam, when previously authorized in writing by the Secretary, may accept bids or proposals up to amounts fixed in such authorization, and shall give notice to the successful bidder of the acceptance thereof.

In all cases other than those covered by the preceding paragraph [illegible] notices thereof will be by the Secretary.

In all cases in which the amount involved in the purchase is $1,000 or more, except in the case of purchase of supplies, materials, and equipment required exclusively for the maintenance of roads and trails, or fire suppression, where the amount of the purchase does not exceed $2,500, the successful bidder will be required to execute a written contract supported by an appropriate bond. This requirement may be waived, however, by the Secretary, when the articles to be purchased are of regular economic make or manufacture and in connection with the purchase of goods for congressional distribution when immediate delivery is required.

When less than $1,000 is involved and answers to inquiries, made in [illegible] prices, the lowest price quoted may be used informally by the chief of the bureau concerned on the basis of purchases in the open market.

Unless otherwise stated in the specification, or advertisement for bids or proposals, or in the contract or purchase, the equipment [illegible] shall not be bound for supplies which may be purchased at any other time during that fiscal year.

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

March 9, 1922.

MEMORANDUM FOR THE SECRETARY.

Dear Mr. Secretary:

The Advisory Committee on Finance and Business Methods submits herewith a proposed memorandum to amend paragraphs 24 and 72 of the Fiscal Regulations of the Department.

In accordance with a recent decision of the Comptroller General of the United States, it was held that when a holiday falls on Sunday and is observed on the succeeding day, there is no reason why pay should not be allowed for the day so observed. He states that the Sunday in such case should be treated the same as any other Sunday and the Monday as the holiday for which pay is provided by the statute. Therefore, a proviso has been added to paragraph 24, Legal Holiday Pay of Per Diem Employees, to cover this point.

In regard to paragraph 72, Acceptance of Bids; Contract and Bond, I beg to advise you that through an oversight the words "The Chief of the Weather Bureau," in lines 6 and 7 of the paragraph, were not eliminated when the new regulations were prepared. This paragraph has now been rewritten and the necessary correction made.

The Committee recommends your approval and the issuance of the attached memorandum.

Very respectfully,

A Gossone

Chairman, Advisory Committee on Finance and Business Methods.

Enclosure.

DEPARTMENT OF AGRICULTURE
WASHINGTON

March 27, 1922.

MEMORANDUM No. 375

Amendment to the Fiscal Regulations.

Effective March 1, 1922, the Fiscal Regulations are hereby amended by inserting therein, immediately following Paragraph 5, the following:

5½. Claims for General Accounting Office Settlement. -- The bureau accounting officers shall see that vouchers destined for settlement in the General Accounting Office are accompanied by all necessary information to permit final disposition of the claim. This information shall be on the voucher or permanently attached thereto and will include the following:

1. Freight accounts must be accompanied by an accomplished bill of lading, a memorandum certificate in lieu thereof, or by other proper evidence of the performance of the service. Claims for storage included in freight accounts must be supported by a certificate setting forth the circumstances and showing the necessity for the expense. In the case of loss or damage to any part of the shipment a notation thereof should be made before the accomplishment of the Government bill of lading, and a statement of the facts and an estimate of the damage must be attached to the account if practicable.

2. In the case of transfers of funds, vouchers must show on the face the correct title of the appropriation to be charged and of the appropriation to be credited, the date the order was placed, the date the service was rendered, a certificate (either on the voucher or on a paper attached thereto) of an officer of the department or bureau to whom funds are to be transferred, stating that the claim is correct and just and that settlement has not been made, a certificate of an officer of the department or bureau transferring the funds that the supplies have been

received or the services rendered. Wherever a reference or key number is used it should appear on the voucher.

These classes of vouchers, unless they include charges for freight lost or damaged in transit, will be scheduled to the Disbursing Office for direct settlement in the General Accounting Office as heretofore.

All vouchers involving claims for loss or damage in transit, and all other vouchers involving disputed questions of law or fact, and vouchers covering claims for loss or damage to horses and other property used in official business will be forwarded to the Office of Inspection. In each case the voucher will be accompanied by a statement setting forth the facts in detail, the conclusion and recommendation of the chief of bureau, and by any statement the claimant may have made in support of his claim. The Office of Inspection will review and brief each claim and prepare it for transmission by the Secretary, through the Disbursing Office, either for advance decision by the Comptroller General or for direct settlement by the General Accounting Office.

No claim shall be forwarded to the General Accounting Office (Comptroller General) for advance decision until a statement shall have been secured from the bureau involved which, together with any statement made by the claimant in support of his claim, shall be attached to and made a part of the submission.

Henry C. Wallace

Secretary.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

December 19, 1921.

MEMORANDUM FOR MR. ASHLEY

Dear Mr. Ashley:

The attention of this office has been called informally by the State and Other Departments Division of the General Accounting Office to certain procedure of this Department which, although of long standing, has been and is the source of annoyance to the General Accounting Office. The procedure deals with the method of assembling and transmitting claims for direct settlement.

With a view to suggesting certain changes in procedure, I have made an investigation of the whole situation and submit the following:

Present Procedure.

The Fiscal Regulations of this Department are as follows:

Par. 6-a.
"All accounts, whether in the form of pay rolls, vouchers, or otherwise, shall be paid by the disbursing clerk, except freight accounts (See paragraph 69) and those authorized by Sections (f) and (g) of this paragraph to be paid by fiscal agents outside of Washington."

Par. 6-c (5).
" * * * (The administrative head of the bureau shall) ascertain in each account the correct amount of such items as are proper claims against the United States, and approve only such items."

Par. 6-d.
"After deducting amounts suspended or disallowed, the administrative head of the bureau shall approve the account and transmit the same to the disbursing clerk for payment."

Par. 6-é.
" * * * the disbursing clerk shall pay each account so approved and transmitted to him, subject to his right to

obtain an advance decision of the Comptroller."

These regulations do not indicate the disposition to be made of that class of vouchers which present disputed questions of law or fact, and it is the method of handling such claims that has been objected to.

The regulations require that the administrative head of a bureau must exercise a judicial discretion in approving claims for payment. However, in the case of disapproval the claim, or at least a portion thereof, usually represents disputed questions, either of law or fact, and as such should not be transmitted to the disbursing clerk (Par. 6-a) nor, even though approved by the bureau, paid by him. (Par. 6-e).

> 22 Comp. 350. "A disbursing officer of the Government is not authorized to make payment in cases involving disputed questions of law or fact, the proper procedure being for the department concerned to send all such cases to the proper auditor of the Treasury for direct settlement."
>
> Also decision of Comptroller General dated December 10, 1921, Exhibit C.

There is another class of claims, wherein the Government has incurred a liability but some uncertainty has arisen as to the payability thereof. The bureau and the claimant both acted in good faith, and the bureau is not in a position to act adversely on the claim. On the contrary, they are morally bound to use every legal means to secure a full consideration and allowance of the claim by the General Accounting Office. This then requires the "approval" of the claim. Yet if the claim be then paid by the disbursing clerk, and subsequently disallowed by the "Auditor", the approving officer in the bureau, and not the disbursing clerk who has

paid the account, is liable under Paragraph 9 of the Fiscal Regulations, reading as follows:

> "The chief of each bureau shall see that suspensions and disallowances in accounts approved by him are adjusted within a reasonable time. In case of any improper expenditure and subsequent disallowance of the same by the Treasury, such steps shall be taken as may be lawful and appropriate to ascertain the responsibility therefor, and to recover for the Government the amount of funds misused, misapplied, misappropriated, or otherwise improperly expended. In case of dispute as to the facts, the decision of the Secretary, after opportunity for hearing has been afforded to the individuals concerned, shall be conclusive upon the employees of the department."

The bureaus, however, when confronted with a claim of this character have, in the absence of proper procedure, forwarded same together with their comments to the disbursing clerk "for such action as he sees fit to take", and the disbursing clerk has exercised a wide discretion, either to notify the bureau that he will pay the claim subject to the bureau assuming responsibility in the case of the account being questioned, or to treat the account as "before him for payment" and transmit same to the Comptroller for an advance decision, or to the Auditor for "direct settlement".

In transmissions to the Comptroller, the letter has been prepared by the solicitor for the signature of the disbursing clerk, and the account transmitted, often, if not usually, without the full comment of the administrative head of the bureau or of the claimant being attached. In the case of transmission to the Auditor the voucher is listed on a combined schedule usually containing a large number of claims, which schedule, (See Exhibits A and B), the Secretary of Agriculture approved without comment, <u>as to all claims thereon.</u>

Objections of the General Accounting Office.

It will be noted in the foregoing that the vouchers forwarded for direct settlement arrive in the Auditor's office accompanied by a schedule which alone has received the visé or approval of the Secretary. As soon, therefore, as these vouchers are detached from this schedule there is no indorsement to show either transmission by or the recommendation of the Secretary. When recourse is had to the schedule, "approval" is shown for all vouchers thereon and this is taken by the General Accounting Office as over-ruling an adverse recommendation of the bureau as to any particular claim or portion of a claim involved. An anomalous condition at once arises wherein the Secretary approves for payment an account which the administrative head of a bureau questions as to law or fact or both.

It is safe to assert that in no case is this the intent of the Secretary. The effect of this approval is to concede all matters of fact as stated in the claim, whether questioned by the bureau or not, and to limit the General Accounting Office to a consideration of the claim, not on its merits, but on an agreed statement of facts as set out by the claimant. See 5 Comp. 273, 18 Comp.649.

Because of this, and the further fact that claims are often scheduled with insufficient information or unaccompanied by necessary supporting evidence, the General Accounting Officers have suggested certain changes of procedure.

Objections of the Bureaus.

It must be at once evident why the foregoing procedure would embarrass the bureaus in disposing of disputed claims. In addition, the bureau and the Department is often criticised for failing to attach necessary papers for the consideration of the auditing officers. It is not comprehensible why the state-

ment of the parties in interest, which are usually the administrative head of the bureau and the claimant, should not be transmitted to the General Accounting Office, irrespective of any comment the disbursing officer may deem advisable. The bureaus feel that all of these papers are necessary to and a part of the claim, and that primary justice dictates the right of the parties in interest to a decision on their own statements rather than to a decision on a submission of the case based on and incorporating more or less of such statements.

Legal Status.

A long line of Comptrollers' Decisions has established beyond all possible controversy the following propositions which, irrespective of internal departmental organization, must govern transactions with the General Accounting Office.

1. The Comptroller will render an advance decision to the head of any executive department.
   a. On any disbursement to be made under his authority.
   b. On the legality of any contemplated expenditure.
2. The Comptroller will render an advance decision to a disbursing clerk only on an account properly before him for payment.
3. The Auditor will settle all claims involving disputed questions of law or fact.

These conclusions were reached in decisions defining the powers and duties of the above officers under the Act of July 31, 1894, (28 Stat. 207). This Act was subsequently amended by the Act of August 23, 1912, (37 Stat.360), which reiteretes the provisions of the former act making the administrative heads of divisions and bureaus responsible for the preparation and administrative examination of all vouchers and pay rolls and provides that these papers

shall not be prepared by disbursing clerks, the function of the disbursing officer being limited to such examination of vouchers as may be necessary to ascertain whether they represent legal claims against the United States.

The Budget and Accounting Act of 1921, Section 304, provides as follows:

> "All powers and duties now conferred or imposed by law upon the Comptroller of the Treasury or the six auditors of the Treasury Department * * * shall, so far as not inconsistent with this Act, be vested in and imposed upon the General Accounting Office and be exercised without direction from any other officer * * *. The revision by the Comptroller General of settlements made by the six auditors shall be discontinued except as to settlements made before July 1, 1921. * * *."

Section 305 of the Budget and Accounting Act amends Section 336 of the Revised Statutes and provides that all claims by the United States or against it shall be settled in the General Accounting Office instead of the Department of the Treasury.

In practice the General Accounting Office consists of divisions as, for instance, State and Other Departments Division. Each division performs the functions formerly intrusted to the Auditor, the action in each case being the action of the General Accounting Office and not subject to revision by the Comptroller General except in case of petition for reconsideration. Under this organization action of the various divisions is final in the absence of affirmative action for review, and it is, therefore, obvious that the settlement of claims involving disputed questions of law and fact is now, as formerly, vested in the General Accounting Office. In fact the organization of the General Accounting Office and the procedure therein to date is, as relates to matters under consideration, identical with the former procedure. See M.S. Decision, Comptroller General, December 10, 1921, Exhibit C.

General Comments.

In the transaction of the official business of this Department the accounts naturally divide into a few more or less clearly defined groups:

1. Vouchers which are transmitted to the disbursing clerk for payment, subject to re-audit by the General Accounting Office.
2. Vouchers in settlement of certain transportation claims (freight), transmitted through the disbursing clerk to the General Accounting Office for direct settlement after a preliminary audit by experts in freight accounting.
3. Vouchers involving transfers of funds between various appropriations transmitted to the General Accounting Office for appropriate action.
4. Vouchers covering disputed questions of law or fact, or both, which in the past have been scheduled to the General Accounting Office for direct settlement or referred to the Comptroller by the disbursing clerk for an advance decision, irrespective of whether the administrative head of the bureau had approved the account for payment or made other recommendation.
   As previously pointed out, if the voucher was transmitted to the General Accounting Office for direct settlement, it was listed upon a schedule indicating that the Secretary of Agriculture had approved the claim for payment, (See Exhibit A), and adverse recommendation by the chief of the bureau was accordingly over-ruled. In this connection reference is invited to copy of letter from the General Accounting Office dated December 15, 1921, together with reply thereto. See Exhibit B.

It is the latter or fourth class of claims which presents the present difficulty, and this class of claims should each receive individual consideration by the Secretary's office and his action thereon should be in such form as to clearly show to the accounting officers his approval or disapproval thereof.

It does not appear necessary to recommend a material change in the method of handling routine claims of the first, second and third classes. It does appear to be highly desirable to immediately change the procedure to be followed in dealing with the fourth class of claims, and the proposed regulations deal principally with this class.

Memorandum 86 dated April 18, 1914, provides that the Office of Inspection shall examine all financial papers before signature by the Secretary or Assistant Secretary of Agriculture, and directs this office to receive and consider all suggestions for the improvement of the departmental fiscal methods of procedure. The present report and recommendations fall within, and are predicated upon, these provisions, the suggestions being referred for consideration by the Secretary under the provisions of Memorandum 356 dated December 1, 1921. A proposed amendment to the Fiscal Regulations is attached for consideration. See Exhibit D.

Comment on Proposed Procedure.

The procedure laid down in Exhibit D outlines for the guidance of the bureaus the usual requirements of the General Accounting Office and will to a great extent reduce correspondence between that office and the Department.

It will guarantee to the claimant and to the bureau the right to be heard in matters in which they are the real parties in interest.

It will guarantee a proper consideration of each claim involving disputed questions in the Secretary's office and will insure that the Secretary's action thereon will express the Department's attitude in an unmistakable manner. Should it develop that the Secretary desires to over-rule the recommendation of the bureau chief, it will enable him when acting upon the claim to make such statement of his position as should be considered by the General Accounting Office in making settlement.

It will place in the Office of Inspection the duty of examining the fiscal papers before the signature of the Secretary as contemplated by Memorandum 86.

It provides that all letters of transmittal shall be written or approved by the solicitor. Thus the action of the Department will be subject to careful consideration from a legal standpoint.

It does not deprive the disbursing officer of his right to an advance decision on vouchers properly before him for payment, as provided by law, but it will inform the Office of Inspection of the questions in dispute and will furnish a highly desirable insight into the business transactions of the Department.

It will not materially increase the volume of correspondence passing through the Secretary's office for signature.

It will involve the adoption of but one new form, a proposed copy of which is attached hereto and marked Exhibit E.

The proposed regulations have been drawn after conference with the General Accounting Officers, are designed to overcome their objections to present methods, and have their approval so far as relates to their duties.

CONCLUSION

In conclusion it should be noted that the procedure complained of by the General Accounting Office has grown out of a fusion of the administrative function of the Department with the purely ministerial function of disbursing money for the Department, and is contrary to the Act of August 23, 1912, and to Departmental Memorandum No. 86.

The same considerations which led Congress to divorce the administrative examination of accounts from the payment thereof are involved at this time and are equally cogent. The payment of an account is a purely fiscal act. The

approval of an account for payment is an administrative act. The final action of the Secretary partakes both of the nature of a judicial and of an administrative act, and is more far reaching in its effect than the action of the bureau chief, since it finally determines the Department's position, and on it the General Accounting Office bases its consideration of the claim. It should not, therefore, as it now is, be merged with the purely perfunctory ministerial act of transmission.

Briefly stated, the problems of the disbursing officer are to pay, in the absence of legal prohibition, provided there is sufficient money remaining to the credit of the appropriation. The problem of the administrative officer embraces the legal questions presented to the disbursing officer, but goes entirely beyond it and takes into consideration all pregnant matters of fact, as well as questions of equity. Matters of fact and equities, no matter how germane, are no part of the audit of a disbursing officer. To protect the Government, every claim involving disputed questions should have a proper consideration by the bureau chief, the Secretary and the General Accounting Office. When an account properly comes before a disbursing officer it is there to be paid, not to receive an administrative consideration to determine whether or not the Secretary of the Department should approve it for payment by the General Accounting Office. Prior to the Act of August 23, supra, the disbursing officer of this Department exercised such an administrative jurisdiction, but this was prohibited by that act and may not now legally be so exercised.

By the new procedure the Secretary is protected in his action, because he has directly before him for consideration a brief of the bureau's action. If his advisers recommend to him adverse action, they must be prepared to show him convincing reasons for over-ruling the bureau chief. A proper consideration

and development of each case will, therefore, be assured within the Department.

The duties of the disbursing officer are not interfered with and he is relieved of a class of work that does not belong to his office and which it is not, and apparently has not for some time been, equipped to perform. An administrative act is assigned to an administrative office created for that purpose by Memorandum No. 86. The result will be to relieve congestion in the disbursing office, to reduce correspondence with the General Accounting office, and to unmistakably stamp each disputed claim with the Secretary's recommendation thereon.

Herbert S. Ward
Inspector

E X H I B I T A

U. S. Government Printing Office

COMBINED SCHEDULE OF CLAIMS AND TRANSFER ACCOUNTS PAYABLE UNDER THE APPROPRIATIONS ENUMERATED BELOW.

Appropriation Account Number	Class	Sub-Class	Name of Claimant	Nature of Claim	Prior Year Unpaid Balance	Current Year Appropriation	Prior Year Appropriation Unexpended	Prior Year Appropriation Expended	Total Amount Due Claimant
[illegible]			Brown, [illegible]	[illegible]	[illegible]				26.25
[illegible]			Bidwell, [illegible]	[illegible]		[illegible]			27.18
[illegible]			Cunningham & Pickens Supply Co.	[illegible]		[illegible]	[illegible]		496.92
[illegible]			Dunlap, John	[illegible]				[illegible]	4.00
[illegible]			Gary, Lucius M.	[illegible]				[illegible]	1.25

The claim presented by Brown is passed and by Bidwell is passed by payment of $25.00

Approved by the Secretary for payment out of the fund

496.92

Office of the Secretary,

August 10 19 21

[illegible] and hereto attached were [illegible] gate amount of $ 496.92

[illegible] for State and other Departments for settlement

[illegible]

E X H I B I T B

C O P Y

W-W

DEPARTMENT OF AGRICULTURE
WASHINGTON

December 17, 1921.

The Comptroller General,
General Accounting Office,
State and Other Departments Division,
Washington, D. C.

Sir:

Receipt is acknowledged of your communication of the 15th instant, (LM), regarding the claim of the Chesapeake and Potomac Telephone Company in the sum of $459.56 against the Bureau of Plant Industry wherein the sum of $80.50 paid on voucher 146093 dated May 3, 1921, and representing the connection charges on 23 telephone instruments at $3.50, is questioned as representing a duplicate charge.

You are advised that it was not the intention of the Department to approve for payment the sum questioned by the Bureau. This account was transmitted to your office for the reason that settlement thereof must be based upon disputed questions of both law and fact, and in this connection it was the intention of the Department to approve the account for payment subject to the deductions noted and objections raised by the Bureau.

Respectfully,

(Sgd.) C. W. Pugsley
Acting Secretary.

COPY

IM

GENERAL ACCOUNTING OFFICE
STATE AND OTHER DEPARTMENTS DIVISION

Washington

December 15, 1931.

The Honorable
The Secretary of Agriculture,
Washington, D. C.

Sir:

There is pending in this office a claim of the Chesapeake and Potomac Telephone Company for $459.56 against the Bureau of Plant Industry. The Chief of the Bureau states that an item of $3.50 for service connection charges on 23 instruments, total $80.50, was paid on voucher 146093 dated May 3, 1931. It is noted, however, that the claim is approved in full for $459.56 by the Acting Secretary. The office seeks information as to whether it was the intention of the department to approve the amount of $80.50, which the Bureau claims to be a duplicate charge, or whether the item was overlooked when the claim was approved in full

Respectfully,

J. R. McCarl,
Comptroller General.

TWG By W. S. Dewhirst

E X H I B I T C

E X H I B I T E

U. S. DEPARTMENT OF AGRICULTURE

CLAIM NO. _____ F.Y. _____

Amount of Claim $ _____

_____

_____

_____

CLAIMANT

NATURE OF CLAIM

_____

_____

_____

_____

_____

_____

BUREAU ACTION

_____

_____

Approved for $ _____

DEPARTMENTAL ACTION

Respectfully referred to the General Accounting Office: _____

for _____

Appropriation: _____

_____

Recommendation: _____

_____

_____

Acting Secretary

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

January 30, 1922.

Mr. Ashley
For consideration & comment, after which all papers will be referred to the Committee
WAW

The Honorable

The Secretary of Agriculture.

Sir:

By reference from your office I have before me as Chairman of the Advisory Committee on Finance and Business Methods for consideration by such Committee a memorandum addressed by Mr. Herbert S. Ward, Inspector, Office of Inspection, dated December 19, 1921, to Mr. Alex. McC. Ashley, Inspector in charge, Office of Inspection; memorandum addressed to you by Mr. Ashley under date of January 11, 1922, and certain exhibits lettered "A" to "E", inclusive, regarding a suggested amendment to the Fiscal Regulations of this Department. The suggested amendment contemplates a change in procedure with reference to a class of claims scheduled to the General Accounting Office for settlement by reason of the fact that they involve disputed questions of law or fact.

In view of the fact, however, that the proposed amendment is predicated entirely upon statements which might be construed as criticisms of the Disbursing Office, I have deferred calling a meeting of the Advisory Committee on Finance and Business Methods for consideration of the matter in order that I, as Disbursing Clerk, may make reply to the statements and thus complete the record in the case.

I therefore have the honor to submit herewith summaries of the statements and my answers thereto:

Statement.- That bureaus of the Department when confronted with claims which contain disputed questions of law or fact have forwarded same to the Disbursing Clerk for such action as he sees fit to take, and that the Disbursing Clerk exercises a wide discretion, either to notify the bureau that he will pay the claim subject to the bureau assuming responsibility in case it is subsequently questioned, or to treat the claim as before the Disbursing Clerk for payment and transmit it to the Comptroller for an advance decision or to the Auditor (General Accounting Office) for direct settlement.

Answer.- Very few, if any, claims are forwarded to the Disbursing Clerk for "such action as he sees fit to take." When bureaus of the Department desire an advance opinion from the Disbursing Clerk, the claim is submitted for that purpose before approval by the administrative head of the bureau. In all such cases the Disbursing Clerk merely gives the bureau his opinion as to the legality of the claim. In rendering such opinions the Disbursing Clerk, in the event he feels the claim is questionable, suggests that it either be submitted to the Auditor for direct settlement or to the Comptroller for decision (See Exhibit A). The Disbursing Clerk could not under any circumstances treat an unapproved account as before him for payment. While the Disbursing Clerk has, in the past, exercised some discretion as to the disposition of claims containing disputed items, it is submitted that in such cases he has never

exerted to the greatest extent the authority vested in him by the Act of July 31, 1894. While this Act (See Exhibit B) vests in the Disbursing Clerk the absolute right to obtain advance decisions from the Comptroller in the case of all vouchers presented to him for payment which contain questions of law or fact, the Disbursing Clerk rarely exercises this right. Knowing that an adverse advance decision of the Comptroller might seriously embarrass the bureau which incurred the expense, the Disbursing Clerk usually chooses the line of least resistance and forwards the claim to the Auditor for direct settlement. The Disbursing Clerk can cite many instances where such claims have been allowed by the Auditor, but which he feels sure would have been the subject of an adverse decision by the Comptroller, thus avoiding embarrassment to the bureaus.

Statement.—That in preparing submissions to the Comptroller the account is transmitted often, if not usually, without the full comment of the administrative head of the bureau or of the claimant being attached.

Answer.—In preparing submissions to the Comptroller the Disbursing Clerk always submits the full statements of the administrative bureau and the claimant if such statements accompany the claim. He has never considered it his right or duty to detract from such statements, but admits that frequently he adds his views when by so doing he will tend to influence the rendition of a decision favorable to the Department. But in all such submissions the Disbursing Clerk is required to indicate to the Comptroller his reasons for requesting an advance decision. This requirement is unequivocally announced by the Comptroller in his decision

of March 12, 1919 (25 Comp. Dec., 653) in the following language:

> "This office (the Comptroller of the Treasury) can not undertake to audit vouchers or to develop the facts involved. Therefore the submission should set forth a complete statement of facts and the precise question or questions of which decision is desired should be set forth specifically and definitely."

Statement.-That in the case of claims transmitted to the auditor (General Accounting Office) such claims are listed on a combined schedule containing a large number of claims, which schedule the Secretary of Agriculture approves without comment as to all claims thereon, by virtue of which the Secretary of Agriculture often unwittingly overrules the administrative action of the bureau and authorizes settlement on the statement of facts as presented by the claimant.

Answer.-While it is true that all such claims are listed on a combined schedule, which schedule the Secretary of Agriculture approves without comment, it is not thought that the pro forma approval of the Secretary either unwittingly or otherwise overrules the administrative action of the bureau and authorizes settlement on the statement of facts as presented by the claimant. On the other hand, this approval by the Secretary should be construed as the approval of the administrative officers' action with respect to the claims or any portion thereof. I cannot believe it possible that you would wish to approve or disapprove each and every claim involving a disputed question of law or fact, especially as your regulations as they now stand authorize administrative heads of bureaus to incur practically all expenses necessary for the proper conduct of the work of their bureaus and to approve the vouchers for payment, and more especially in view of the fact that had the question of law or fact not been raised the account would have been paid by the Disbursing Clerk on the approval of the Chief of bureau. In any event it is a well established rule of accounting that the approval or disapproval of a claim by the head of a department has no binding effect on the accounting officers. Therefore, it seems inconceivable that the Auditor would allow a claim or a part thereof, in face of the administrative

disapproval of the chief of bureau simply because the schedule upon which it was listed bore the approval of the head of the Department. It has been held by the Comptroller, 21 Comp. Dec., 713, quoting the syllabus, that

> "The approval of a voucher before payment is required for the purpose of showing that the department, bureau or establishment under which the control of the appropriation is placed has knowledge of and assents to the use of the appropriation for the purpose indicated on the voucher.
>
> In the absence of an express provision of statute to that effect, such approval is not conclusive upon the accounting officers.
>
> The question as to who shall indicate on the voucher that the department, bureau, or establishment has approved the payment is for administrative determination.
>
> The administrative approval of claims filed in the auditor's office for direct settlement is necessary only in particular classes of claims that are required by express provision of statute to be so approved."

and in 26 Comp. Dec., 920, quoting the syllabus, that

> *
>
> "Under the provisions of section 7 of the act of July 31, 1894, 28 Stat., 207, the accounts of Railroad Labor Board created by the transportation act of Feb. 28, 1920, 41 Stat., 470, are required to be audited by the Auditor for the State and Other Departments, and the approval of the head of the board of vouchers covering expenditures made by the board, under authority given him by section 314 of said act, is not conclusive upon the accounting officers of the Treasury."

In the former decision the Comptroller states the matter more specifically in the following language:

> "In regard to the administrative approval of claims filed in your office for direct settlement, you are advised that such approval is necessary only in particular classes of claims that are required by express provision of statute to be so approved. In all other classes of claims it is your duty to allow or disallow upon the merits. And your responsibility in such cases can not be shifted to the administrative office nor in any way be affected by an administrative approval or disapproval."

[illegible] approval of the head of the Department. It has [illegible]

[illegible] of a voucher before payment is required [illegible] of showing that the department, bureau or [illegible] under which the control of the appropriation [illegible] for the purpose indicated on the voucher.

[illegible] approval is not conclusive upon the accounting officers.

The question as to who shall indicate on the voucher the payment is for administrative determination.

The administrative approval of claims filed in the [illegible] in particular classes of claims that are required by express provision of statute to be so approved."

In 26 Comp. Dec., 920, quoting the syllabus, that

* *

[illegible] the head of the board of voucher covering expenditures [illegible] is not conclusive upon the accounting officers [illegible]."

[illegible]

"[illegible] for direct settlement, you are advised that [illegible] is necessary only in particular classes of [illegible]. In all other classes of claims it is your duty [illegible] upon the merits. But your recommendation [illegible] is not [illegible] administrative office [illegible] rendered by [illegible] administrative or [illegible]."

Conversely, the General Accounting Office would be authorized to allow a claim in the face of the specific disapproval of the head of a Department. If the statement that "the effect of this approval is to concede all matters of fact as stated in the claim, whether questioned by the bureau or not, and to limit the General Accounting Office to a consideration of the claim, not on its merits, but on an agreed statement of facts as set out by the claimant," be true, it would seem that the auditor in settling claims "on an agreed statement of facts as set out by the claimant," and "not on their merits", is doing so contrary to the decisions of the Comptroller and on his own motion and responsibility. I seriously question the correctness of this statement.

In the case in point the claim was transmitted to the Auditor at the specific request of the Bureau of Plant Industry (See Exhibit C). This claim contained a duplicate charge of $80.50, and I submit that it is the duty of the Auditor to disallow this duplicate charge if he determines this to be a fact, regardless of the approval of the schedule of claims by the Secretary of Agriculture, particularly so in view of the following statements of the Chief of the Bureau of Plant Industry which accompanied the claim:

* *

"The Company has included in this bill an item of $3.50, service charges on 23 instruments, or a total of $80.50. It appears that payment has already been made to the company for the removal of the Inter-Departmental Telephone System from the Counsel of National Defense Building, 18th and D Streets, N.W., to Building F, Henry Park, 7th and B St., N.W. The cost of this change was $399.02, in accordance with their agreement and this item was paid by you on May 3, 1921, under your voucher 146093."

* *

"In view of the double charge it is requested that this account be forwarded to the Auditor for the State and Other Departments for settlement."

Statement.—That in transmitting such claims the Disbursing Clerk has appended a statement of his views with reference thereto, and that in so doing he (the Disbursing Clerk) has apparently spoken with the voice of the Department, but naturally has presented the question primarily from the point of view of the Disbursing Clerk rather than that of the administrative and approving officer.

Answer.—This statement is wholly without foundation. The Disbursing Clerk never appends a statement of his views with reference to a disputed claim. On the contrary, the Disbursing Clerk detaches from such claims any papers reciting his objection thereto, in order not to bias the settlement. (See Exhibit D). Had the Disbursing Clerk's letter to the bureau in this case and the bureau's reply accompanied this claim, I seriously doubt whether it would have been allowed, or had the Disbursing Clerk exercised his right to obtain an advance decision from the Comptroller I feel sure that an adverse decision would have been rendered. In this connection it should be pointed out that frequently the Auditor's Office, upon receipt of such a claim, has telephoned the Disbursing Clerk asking why the claim was sent to it, i.e., the specific question which influenced the Department to submit the claim for direct settlement. The Disbursing Clerk has consistently refused to furnish such information, stating that no record is kept of questions involved in claims, and that settlement would have to be made on the facts as presented. The Disbursing Clerk has felt that to do otherwise would bias the Auditor and result in the disallowance of a claim that might otherwise be allowed. This action is taken by the Disbursing Clerk notwithstanding a request of the Auditor (See Exhibit E) that a statement accompany each claim forwarded to the Auditor for direct settlement indicating the reasons why such claim is not paid by the Disbursing Clerk, the Disbursing Clerk feeling that the Auditor was not within his rights in demanding such

information, in other words, that it is the Auditor's duty to settle the claim either favorably or unfavorably on the facts as submitted by the bureau or to call for such additional evidence as he may deem necessary.

Statement.-That the foregoing procedure is embarrassing to the bureaus in disposing of disputed claims.

Answer.- It is contended that my action with respect to these claims is embarrassing to the bureaus. If the several statements were founded on fact, I can readily appreciate the embarrassment that would ensue. Inasmuch, however, as the statements are wholly without foundation, I can not believe my action with respect to these claims has caused any serious embarrassment to the bureaus. Of course, this statement can best be answered by the bureaus themselves.

Statement.-That the duties of the Disbursing Clerk are not interfered with; that he is relieved of a class of work that does not belong to his office, and which his office is not, and apparently has not for sometime been, equipped to perform; and that the result will be to relieve congestion in the disbursing office.

Answer.-The duties of the Disbursing Clerk would seriously be interfered with in that the proposed change in procedure will strip him of his right under the Act of July 31, 1894, to obtain advance decisions of the Comptroller. The suggested amendment provides that "The Office of Inspection will review and brief each claim and prepare it for transmission to the General Accounting Office by the Secretary, either for advance decision by the Comptroller General or for direct settlement," and while I will not now take time to discuss the effect of an advance decision to the head of the Department, it is obvious that it is the intention of the

[illegible] .--That the foregoing proceeding is commencing in the [illegible] a misnaming of disputed claims.

[illegible]

I am in concurrence to the bureau. If the several statements were founded on fact, I can readily appreciate the embarrassment that would ensue. Inasmuch, however, as the statements are wholly without foundation, I can not believe my action with respect to these claims has caused any serious embarrassment to the bureau. Of course, this statement can not be accepted by the bureau itself.

[illegible] .--That the duties of the Disbursing Clerk are not interfered with, that he is relieved of a class of work that does not belong to his office, and which his office is not, was apparently has not for sometime been, equipped to perform; and that the result will be to relieve congestion in the disbursing office.

Answer.--The action of the Disbursing Clerk would certainly be interfered with in that the proposed change in procedure will stify his of [illegible] under the Act of July 21, 1894, to obtain advance decisions of [illegible] . The proposed procedure provides that "the office of

Office of Inspection to have transferred to that office work which has been performed in the Disbursing Office since the establishment of the Department.

As reasons for relieving the Disbursing Clerk of this work it is stated that his office is not, and apparently has not been for sometime, equipped to perform it, and that congestion in the disbursing office would be relieved. In this connection I feel that it should be pointed out that the number of claims referred to the General Accounting Office for direct settlement because of disputed questions of law or fact is exceedingly small in the aggregate. I believe the number per annum can conservatively be placed at less than 100, probably not more than 50. Surely, this small number of accounts can cause but very little congestion in an office that handles and pays promptly an average of from 600 to 700 accounts a day.

With reference to the statement that this office is not equipped to perform this work, I am at loss to understand in what respect the Disbursing Office is not so equipped. The only inference that can be drawn from this statement is that the employees of the Disbursing Office charged with this work are inefficient. The personnel of the disbursing office includes employees with many years' experience in Government accounting work in all its phases. They are especially trained for this line of work and their duties require an intimate knowledge of accounting procedure, the statutes governing payments, the decisions of the Comptroller, and the regulations of the Department. They are highly efficient and are constantly consulted by the various bureau accounting officers with reference to the legality of proposed expenditures and payments, and in this way have rendered invaluable service to the Department as a whole.

[illegible] s to have transferred to that office work which has been [illegible] the Disbursing Office since the establishment of the Treasury [illegible]

[illegible] the disbursing clerk of this work it is [illegible]ted that his office is not, and apparently has not been for some time, equipped to perform it, and that cooperation in the disbursing office would [illegible]d. In this connection I feel that it should be pointed out that the number of claims referred to the General Accounting Office for direct settlement because of disputed questions of law or fact is accordingly small [illegible]

[illegible] manner and pass promptly an average of from 500 to 750 accounts a day.

With reference to the statement that this office is not equipped to perform this work, I am at loss to understand in what respect the Disbursing Office is not so equipped. The only difference that can be drawn from this [illegible] is that the employees of the Disbursing Office charged with this work are inefficient. The personnel of the disbursing office includes employees with many years' experience in Government accounting [illegible]

I could inform you of many instances where the peculiar knowledge possessed by the employees of the Disbursing Office has avoided embarrassing situations confronting bureaus of the Department. For instance, accounts involving legal technicalities which, if submitted to the Comptroller for decision or to the Auditor for settlement, would unquestionably have been the subject of an adverse decision or disallowance, have been referred to the Disbursing Clerk informally for an opinion. Often the questions involved are without precedent. But in the majority of cases the Disbursing Office has been able to suggest the means for overcoming or removing the technicality. Such claims, which are invariably complex in their nature, involve expenditures made in good faith by administrative officers of the Department, and an inability to pay them would have subjected the Department to more or less criticism. Only a few days ago an account involving the payment of salary to a janitor in one of the bureaus was presented to me for payment. When this account was being indexed it was discovered that the payee was employed under a regular contract of employment which invalidated the account then before me for payment. Payment of this account very properly could have been denied by me and the bureau required to adjust the matter as best it could. But, instead, my office initiated action which resulted in the removal of the difficulty and the account was subsequently paid. It is true the amount involved was small, but nevertheless considerable embarrassment would undoubtedly have resulted, had I refused to pay the account.

While the rendering of assistance as above indicated may not be strictly within the purview of the duties of the Disbursing Office, I merely cite these instances in an effort to overcome any statement of inefficiency on

would infuse you of many instances where the peculiar knowledge possessed by the employees of the Disbursing Office has avoided embarrassments involving legal technicalities which, if submitted to the Comptroller for decision or to the Auditor for settlement, would undoubtedly have been the subject of an adverse decision or disallowance, have been referred to the Disbursing Clerk informally for an opinion. Often the questions involved are without precedent. But in the majority of cases the Disbursing Office has been able to suggest the means for overcoming or removing the technicality. Such claims, which are invariably complex in their nature, involve expenditures made in good faith by administrative officers of the Department, and an inability to pay them would have subjected the Department to more or less criticism. Only a few days ago an account involving the payment of salary to a janitor in one of the bureaus was presented. Upon investigation it was discovered that the party was employed under a regular contract of employment which invalidated the account then before us for payment. Payment of this account was not under as hard it could. But, instead, my office initiated action which resulted in the removal of the difficulty and the account was promptly paid. It is true the amount involved was small, but nevertheless the embarrassment would undoubtedly have resulted, had I re-

the part of employees of the Disbursing Office, and to convince you that this office is doing everything possible - in fact going out of its way - to expedite the payment of accounts and assist the bureaus in their accounting work.

If the suggested change in procedure is adopted this office could no longer render this assistance. The Disbursing Clerk would be required to pay each account submitted to him or return it to the bureau with a statement of his reasons for not making payment. Such accounts as he does not feel justified in paying would be forwarded to the Office of Inspection and by that office submitted either to the Comptroller for decision or the Auditor for settlement regardless of the outcome. I think you can readily see that if every account which, in the first instance, the Disbursing Clerk cannot pay because of some slight legal technicality is to be made the subject of an advance decision or forwarded to the Auditor for direct settlement a more or less chaotic condition will ensue.

I hope that my answers to the foregoing questions will not convey the impression that I consider the Disbursing Office infallible. If so, such is not my intention. I have merely tried to show that this office has not intentionally thwarted or obstructed the administrative officers of the department in their efforts to obtain an equitable settlement of all claims against the department. It has been said that the action of the Disbursing Office with reference to claims involving disputed questions of law or fact is embarrassing to the bureaus of the department. This I can hardly credit as no complaint has ever come to my attention. On the other hand, I believe that the Disbursing Office is now working in closer cooperation with the bureaus

everything possible - in fact going out of its way -

out of accounts and assist the bureaus in their

If the suggested change in procedure is adopted this office could no longer render this assistance. The Disbursing Clerk would be required to pay each account submitted to him or return it to the bureau with a statement of his reasons for not making payment. Such accounts as he does not feel justified in paying would be forwarded to the Office of Inspection and by that office submitted either to the Comptroller for decision or the Auditor for settlement regardless of the outcome. I think you can readily see that if every account which, in the first instance, the Disbursing Clerk cannot pay because of some slight legal technicality is to be made the subject of an advance decision or forwarded to the Auditor for direct settlement a more or less chaotic condition will ensue.

I hope that my answers to the foregoing questions will not convey the [illegible]on that I consider the Disbursing Office infallible. If so, such is not my intention. I have merely tried to show that this office has not intentionally thwarted or obstructed the administrative officers of the department-

. It has been said that the action of the Disbursing Office [illegible]e to claims involving disputed questions of law or fact is an-[illegible]g to the bureaus of the department. This I can hardly credit as no [illegible] came to my attention. On the other hand, I believe that [illegible] is now working in closer cooperation with the bureaus

than ever before and that the bureaus have no complaint whatever of the manner in which their accounts are being handled in the Disbursing Office.

After carefully reviewing the entire case it seems to me that the only possible source for criticism is in connection with the certificate to the combined schedule of claims and transfer accounts, and I believe I have shown that the question raised with reference thereto is of very minor importance. The certificate could very easily be modified so that the Secretary in signing it will not, unwittingly or otherwise, overrule the action of the Chief of Bureau and thus confuse the Auditor as to the exact position of the Department.

May I suggest that this statement be also referred to the Advisory Committee on Finance and Business Methods.

Very respectfully,

A Gappone

Disbursing Clerk.

Enclosures.

Exhibit "A"

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Plant Industry
Washington

Office of Chief of Bureau

Memorandum for Mr. Zappone.

Dear Mr. Zappone:

I am enclosing herewith voucher submitted by Mr. Otto E. Reinking, amounting to $25.95. Your attention is invited to a charge of $19.95 which represents an expense incurred by Mr. Reinking for converting his personal funds into traveller's checks. This amount was suspended from his original voucher as it appeared to be a personal expense, but you will note the charge has been resumbitted. Will you please advise if you consider this a proper charge against the Department?

Yours very truly,

/s/ W. P. Cox

Assistant to the Chief.

GHB-W

2566

Enc.

United States Department of Agriculture,
Division of Accounts and Disbursements,
Washington, D. C.

January 14, 1922.

MEMORANDUM FOR MR. W. P. COX.

Dear Mr. Cox:

I acknowledge receipt of your memorandum of the 10th instant transmitting reimbursement account in favor of Otto E. Reinking, amounting to $25.95, and requesting my opinion whether a charge of $19.95 included therein may properly be paid. The charge in question represents fees paid by Mr. Reinking in connection with the purchase of travelers checks.

In this connection I have to advise you that, in my opinion, the expense is purely a personal one and cannot be reimbursed. However, if you will have the voucher approved and scheduled to me in the usual manner I will be glad to forward it to the General Accounting Office for direct settlement.

Respectfully,

/s/ A. Zappone,

Chief of Division.

Enclosure.

EXHIBIT B.

Disbursing officers, or the head of any Executive Department, or other establishment not under any of the Executive Departments, may apply for and the Comptroller of the Treasury shall render his decision upon any question involving a payment to be made by them or under them, which decision, when rendered, shall govern the auditor and the Comptroller of the Treasury in passing upon the account containing said disbursement. (Act July 31, 1894)

Exhibit "C"

COPY.

July 28, 1921.

Mr. A. Zappone,

Chief, Division of Accounts.

Dear Mr. Zappone:

I am enclosing herewith voucher in favor of the Chesapeake & Potomac Telephone Company, amounting to $459.56, covering services during the month of December 1920. The Company has included in this bill an item of $3.50, service charges on 23 instruments, or a total of $80.50. It appears that payment has already been made to the company for the removal of the Inter-Departmental Telephone System from the Counsel of National Defense Building, 18th & D Streets, N.W., to Building F, Henry Park, 7th & B St., N.W. The cost of this change was $399.02, in accordance with their agreement and this item was paid by you on May 3, 1921, under your voucher 146093.

It appears that there was a similar item in an account tendered the Biological Survey and this account was forwarded to the Auditor for the State and Other Departments for direct settlement.

In view of the double charge it is requested that this account be forwarded to the Auditor for the State and Other Departments for settlement.

Yours very truly,

Chief of Bureau.

WPC-NS

Exhibit D

United States Department of Agriculture,

Division of Accounts and Disbursements,

Washington, D. C.

November 9, 1921.

To the Chief, Bureau of Biological Survey,

Department of Agriculture.

Dear Sir:

I return herewith voucher submitted for payment in your schedule No. 1264 in favor of J. S. Dunham, for $125.00.

It is noted that numbered paragraph two of your memorandum to the Secretary of October 31 indicates that Mr. Dunham furnished a horse and equipment to the Government under a contract of hire. It also indicates that his salary is $100.00 per month and $20.00 additional for each horse furnished and $10.00 additional for camp equipment. As the records of the Appointment Clerk fail to reveal a formal appointment to Mr. Dunham I am led to believe that he was employed under a letter of authorization. Such being the case, I will thank you to advise me specifically the terms of his informal appointment. If such appointment required him to furnish a horse and equipment in conducting his official work I am of the opinion that this claim may not properly be paid. On the other hand, if Mr. Dunham was not required to furnish a horse and equipment under his contract of employment but furnished same as the owner of such equipment under a contract of hire with the Secretary of Agriculture the claim would appear to be properly payable.

Very respectfully,

/s/ A. Zappone,

Chief of Division.

Enclosure.

KINDLY RETURN THIS LETTER WITH THE ACCOUNT TO WHICH IT PERTAINS.

UNITED STATES DEPARTMENT OF AGRICULTURE

Bureau of Biological Survey

Address reply to
Chief, Bureau of Biological Survey, Washington, D. C.
and return to

November 12, 1921.

Mr. A. Zappone,
Chief, Div. of Accounts & Disbursements,
Department of Agriculture.

Dear Mr. Zappone:

Replying to your letter of November 9, 1921, returning voucher in favor of J. S. Dunham for $125.00 covering loss of horse and equipment while being used for official business, please be advised that the employment of Mr. Dunham as a predatory animal hunter was an oral and informal one.

The terms of his employment are those authorized by letter of Secretary of Agriculture under date of August 25, 1919. The terms in question to quote in part from said letter are: "In view of your statements, the Acting Secretary has approved your recommendation that this basis (for personal service, $80 to $85 per month; for use of camp equipment, $10 a month; for two horses $15 to $20 a month each) be changed so as to authorize payment for personal services of salaries ranging from $80 to $100 per month, leaving the other items as they stand."

It will be seen from this that the personal services of these hunters are paid for on one basis which may range from $80 to $100 per month and the hiring of the camp equipment and horses on a separate basis of $10 a month for the camp equipment and $15 to $20 a month each for the horses. It is true that horses, in some cases dogs or automobiles being substituted, and camp equipment are required to be furnished by these predatory animal hunters. It is, however, contended by the Bureau that the controlling element in determining whether the loss of horse and equipment may be compensated for is not whether such horse and equipment are required by contract of employment to be furnished, but whether there is, as a matter of fact, a contract of hire for such horse and equipment separate from the personal service item.

The statute under which compensation is allowed for damage or loss of horse and equipment being used in official business is a beneficial one and its benefits should not be prevented from extending to otherwise proper cases by raising a highly technical interpretation of the work "hire". It is believed that the element of hire is clearly established in the case under discussion, unless the term "hire" is to be given a very restricted significance.

The cases decided by the Comptroller against compensation where the reason for withholding such compensation has been based on the fact that contracts of employment required the furnishing of horses are all cases where a flat compensation was provided which was to cover both personal services and the furnishing of the horse. However, even this rule was greatly broadened by the Comptroller in his decision of January 17, 1918, to the Secretary of Agriculture in the case of Frank C. Clark. In this case the Comptroller decided that:

"It appears from your letter that Mr. Clark was employed to do certain work at a compensation of $100 per month with the understanding that he was to furnish a horse; there was no contract for hiring the horse other than the understanding and the amount agreed upon included compensation for Mr. Clark and for the use of the horse.

"In view of the contract of hire which may be implied from the understanding that Mr. Clark was to furnish a horse and from the fact that the rate of compensation was greater than would be paid for Mr. Clark's service alone, I am of the opinion that the payment in question is authorized under the statute quoted, if the claim is correct in other respects."

The element of distinct hiring of the horse apart from the personal service is further strengthened in this case by the fact that in addition to the regular rates being paid Mr. Dunham for the hire of his horse and equipment, it is ascertained he was allowed hay and grain to feed his horses while they were being used in the work he was engaged on at the time the horse involved in this claim was killed.

The claim is returned, herewith, and it is requested that you either submit the question involved directly to the Comptroller General for decision or transmit the claim to the General Accounting Office, State and Other Departments Division for settlement.

Very truly yours,

/s/ W. C. Henderson,

Acting Chief of Bureau.

Inclosure 13233.

Exhibit C.

Office of
Auditor for State and
Other Departments.

TREASURY DEPARTMENT

Washington

July 10, 1919.

SUPPLEMENTAL VOUCHERS AND CLAIMS.

1. . . . . .

2. . . . . .

3. . . . . .

4. When claims payable from current appropriations are sent to the Auditor for settlement, disbursing officers are requested to state why payment was not made by them.

5. Disbursing officers may avoid disallowances in their accounts by obtaining from the Comptroller of the Treasury a decision in advance of payment (28 Stat. 208; 19 Comp. Dec. 549)

(Signed) E. D. Hearne.

Auditor for the State and
Other Departments.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

February 28, 1922.

MEMORANDUM FOR MR. ASHLEY.

Dear Mr. Ashley:

With reference to Mr. Zappone's memorandum of January 30th, regarding the proposed changes in procedure, I very much regret that Mr. Zappone has construed this memorandum as a criticism of the Disbursing Office, and I am glad to have an opportunity to agree that the Disbursing Office contains a highly skilled, efficiently trained, and loyal body of government servants whose advice may at all times be sought with profit by the various bureaus. I am fully aware that they have often rendered material assistance to the bureaus of this Department, and I cannot doubt that they will continue to do so.

The question presented to the Secretary, however, was certain objectionable procedure of this Department which was called to the attention of the writer by the General Accounting Officers. An investigation was made wherein it developed that the procedure of this Department under which the Secretary was approving for payment in the full amount every claim transmitted to the General Accounting Office, irrespective of adverse bureau action, was incomprehensible to the General Accounting Office. A change therein was accordingly recommended.

It must be apparent that the effect of the Secretary's approval, on the General Accounting Office, cannot be determined by the belief of any employee of this Department. The effect is what the General Accounting Officers regard it to mean and they hold that it does overrule the administrative action of the bureau and authorize settlement upon statement of facts as presented by the claimant. The specific form of the Secretary's approval wherein he states that,

> "the expenses covered by the several accounts above scheduled and hereto attached were authorized by me and are approved in the aggregate amount of $_____."

precludes any other interpretation.

The "Auditor's" Office, although not bound thereby, have regarded and still regard this approval as overruling a bureau's disapproval. In this connection it may be noted in passing that Mr. Zappone's citations from 21 Comp, 713 and 26 Comp. 920, are not germane, the point at issue being what the Accounting Officers understand the Secretary to mean when he approves a claim for payment. The Comptroller has repeatedly held that the Accounting Officers cannot undertake to establish the facts, but that they will accept the finding of fact as stated by

the Department and make settlement in accordance therewith, leaving the claimant to enforce his rights in a court of law. (18 Comp. 649)

In addition to the confusion pointed out above, the General Accounting Officers desire, if possible that every claim involving disputed questions of law or fact shall show consideration and transmission by the Secretary which under the blanket schedule plan is of course not possible. The confusion existing between the understanding of the General Accounting Office and this Department as to the significance of the Secretary's approval has undoubtedly been embarrassing to the bureaus. It is, of course, realized within this Department that the Secretary would not have so embarrassed the bureaus had he known the facts and the significance attached to his approval, but the forms designed and the procedure adopted by the Disbursing Office for transmitting this class of cases did not provide a suitable equipment to place the subject matter properly before the Secretary or the General Accounting Officers and until this matter came before this committee the Disbursing Office had apparently not ascertained or realized the effect of such procedure. This is the full significance of that portion of my memorandum wherein I recite that the Disbursing Office is not now, and has not for some time been, equipped to handle disputed claims.

Excluding entirely any suggestion of personal criticism contained in Mr. Zappone's letter, and passing, without conceding the force of the several replies to excerpted statements from my memorandum , I suggest that it is for the Committee to now determine:

1. Whether the present procedure shall be discontinued,

2. Whether the proposed procedure shall be adopted.

For this purpose the essential point at issue is the effect of the Secretary's approval of a claim, and on this point the Office of Inspection and the General Accounting Office are one, and at direct variance with the Disbursing Office.

Respectfully,

Herbert S. Marsh

Inspector.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

February 28, 1922.

Mr. Zappone
Comm. F. & B. M.

MEMORANDUM FOR MR. JUMP

Dear Mr. Jump:

I am returning herewith the file regarding the changes which Mr. Ward suggested some time ago in the procedure for handling claims involving disputed questions of law or fact. To the file as it came to me, with Mr. Zappone's comment, Mr. Ward has appended a brief rejoinder. On behalf of both Mr. Ward and myself, I wish to disclaim any intention of personal criticism of either Mr. Zappone or his office.

The file is now ready for consideration by the Finance Committee and as the matter is an important one, it should receive the careful and full consideration of the entire committee. In this connection, I understand that Mr. Headley, a member of the committee, will within a few days leave the city for a western trip of several weeks and I would therefore appreciate it if you will arrange to have the papers go back to Mr. Zappone, the Chairman of the Committee, at once in order that the committee may consider the matter this week before Mr. Headley leaves Washington. The Committee will meet tomorrow, Wednesday. Can you not therefore arrange to have the file go to Mr. Zappone this afternoon.

Very truly yours,

Alex. McC. Ashley
Inspector.

(Enclosure)

2/28/22
Adv Comm F & B M.
Is it not possible to adopt a procedure which will take care of the whole matter in a thoroughly business like way & at same time utilize the constructive assistance of both Mason & Dr of Accounts? Wash

MEMORANDUM

PROCEDURE AGREED TO AND ADOPTED BY THE
COMMITTEE ON FINANCE AND BUSINESS METHODS

This Committee are of the opinion that a proper procedure within the Department requires that the Office of Inspection and the Disbursing Office be mutually advised regarding all claims submitted for advance decision or direct settlement. Therefore, all such cases prepared in the Disbursing Office, except claims covering freight charges, will be referred to the Office of Inspection for initial immediately prior to transmission to the General Accounting Office, and all such cases prepared in the Office of Inspection will be sent through the Disbursing Office for record and transmission to the General Accounting Office.

Chairman

Member of Committee

Alex. McC. Ashley
Member of Committee

Roy McCauley
Member of Committee

W-W

W-W

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C.

OFFICE OF INSPECTION
FILE NO.

January 11, 1922.

MEMORANDUM FOR THE SECRETARY

Adl Comm for B.M.
For consideration

JAN 11 1922

Dear Mr. Secretary:

Under date of December 19, 1921, Inspector Herbert S. Ward of this office submitted to me the accompanying recommendations for certain general changes in the fiscal procedure of the Department. As their adoption will involve amendment of the Fiscal Regulations, I am transmitting them to you for consideration as required by Memorandum No. 356. I strongly recommend the approval of Mr. Ward's recommendations.

In the absence of any procedure in our Fiscal Regulations relative to the settlement of vouchers covering disputed questions of law or fact, or both, it has been the custom in recent years to transmit such claims to the disbursing clerk to determine the disposition to be made of them. In some cases the bureaus have been notified that he would pay the claim if administratively approved, but with the understanding that the Bureau would assume responsibility should the disbursement be subsequently questioned by the Auditor. In other cases the claim has been transmitted to the Comptroller General (formerly the Comptroller) for an advance decision, even when the transmission by the bureau clearly indicated that the account was not submitted to the disbursing clerk for payment. In still other cases the claim has been scheduled to the General Accounting Office for settlement by the Claims Section (formerly the Auditor for the State and Other Departments). In transmitting a claim to the Comptroller, whether before the disbursing clerk for payment or not, the latter officer has spoken apparently with the voice of the Department, but naturally has submitted the

question primarily from the point of view of the disbursing officer rather than that of the administrative and approving officer. In scheduling claims to the Auditor, the disbursing clerk, by virtue of the form employed for that purpose, has uniformly caused the Secretary to approve all claims for payment, irrespective of equities involved or objections of the bureau, thus often unwittingly overruling the administrative action of the bureau and authorizing settlement on the statement of facts as presented by the claimant.

It is proposed to change this procedure in order that the Secretary may no longer approve claims for payment without knowledge of the bureau's recommendation. To prevent possible loss of papers it is proposed to assemble and jacket separately the file on each claim presenting disputed questions of law or fact. It is further proposed that the claimant and the bureau shall be given opportunity to present their comments on each case, whether presented by the Secretary, or by the disbursing clerk, to the Comptroller General for advance decision; or transmitted to the General Accounting Office for direct settlement. The proposed procedure recognizes that the claimant and the bureau are the real parties in interest, and that the Secretary of Agriculture should exercise a judicial and administrative function in approving an account for payment. It resolves within the Department questions of fact and equities involved, and leaves the General Accounting Office to deal with questions of law.

The disadvantage of the present pro forma approval by the Secretary of all claims transmitted to the Auditor, as compared with the advantage of a proper consideration of each claim within the Department, is obvious. It

is only by such a consideration of each claim that the Secretary may prevent the occasional occurrence of such cases as that disclosed in Exhibit B of the attached memorandum. It is the clear intention of the law that the Secretary should represent the Department in all submissions to the Comptroller General, excepting only in the case of such vouchers as have properly come before a disbursing officer for payment. Only vouchers wherein no disputed question of law or fact exists fall within the latter class. In cases where there is a dispute of law or fact, the disbursing officer is precluded from making payment, and submission of all such claims should be by the Secretary. In making a submission to the General Accounting Office, there should be presented the direct and complete statements of the claimant, of the bureau, and of the Department (Secretary). In any such submission the arguments and opinions of the disbursing officer have no part, the Act of August 5, 1912, prohibiting him from exercising administrative functions. Each submission by the Secretary should unmistakably bear his approval or disapproval, as the result of a hearing afforded both the bureau and the claimant. The proposed procedure, which accomplishes this, is acceptable to and, in fact, is desired by the General Accounting Office, for the reason that it leaves no uncertainty as to the Secretary's intention and places squarely before that office the arguments of the bureau and the claimant, which are primarily the foundation on which the claim is based.

In these circumstances it is felt that the present procedure, in

is only by such a consideration of each claim that the Secretary may prevent the personal concurrence of such claims as that disclosed in Exhibit A of the attached memorandum. It is the clear intention of the law that the Secretary should represent the Department in all submissions to the Comptroller General, excepting only in the case of such vouchers as have properly come before a disbursing officer for payment. Only vouchers wherein no disputed question of law or fact exists fall within the latter class. In cases where there is a dispute of law or fact, the disbursing officer is precluded from making payment, and submission of all such claims should be by the Secretary. In making a submission to the General Accounting Office, there should be presented the direct and complete statements of the claimant, of the bureau, and of the Department (Secretary). In any such submission the arguments and opinions of the disbursing officer have no part. The act of August 8, 1912, prohibiting him from exercising administrative functions. Such submission by the Secretary should unmistakably bear his approval or disapproval, as the result of a hearing afforded both the bureau and the claimant. The proposed procedure, which accomplishes this, is acceptable to and, in fact, is desired by the General Accounting Office. For the reason that it leaves no uncertainty as to the Secretary's intention and places squarely before that office the arguments of the bureau and the claimant, which are primarily the foundation on which the claim is based.

In these circumstances it is felt that the present procedure, in

the interest of good business practice, should be revised without delay.

Very respectfully,

Alex. McC. Ashley

Inspector in Charge.

(Inclosure)